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OYSTER PERPETUAL DAY-DATE 40



▲ PAGE 66

"THIS HAD TO BE A PLACE WHERE REGULAR PEOPLE COULD COME AND FEEL COMFORTABLE."

—Sukowati Sosrodjojo, the tycoon behind Lenggang Jakarta

COVER PHOTOGRAPH BY BRIAN SOKOL FOR FORBES

11 | FACT & COMMENT // STEVE FORBES
Ominous move: China's devaluation.

14 | INNOVATION RULES // RICH KARLGAARD
China syndrome.

HEROES OF PHILANTHROPY

66 | A NEW HANGOUT FOR HAWKERS
Sukowati Sosrodjojo was just the right man to make over Jakarta's National Monument Park.
BY JEFFREY HUTTON

70 | THINKING REGIONALLY
Singapore's Laurence Lien is working to draw noteworthy philanthropists into his circle.
BY JANE A. PETERSON

74 | THE LIST
These 40 leaders bring experience, wisdom and imagination to charitable giving.
EDITED BY JOHN KOPPISCH

85 | INFOSYS' LEGACY
Five people with ties to the tech company did very well and are now doing good.
BY ANURADHA RAGHUNATHAN AND SARITHA RAI

86 | CHANNELING NINA WANG
A Hong Kong court will decide how to fulfill her wishes.
BY SHU-CHING JEAN CHEN

COMPANIES, PEOPLE

16 | THE MAN BEHIND THE MOVE ON MICRON
Tsinghua Unigroup's Zhao Weiguo discusses the chip business in China.
BY YUE WANG

20 | THE WORLD'S MOST VALUABLE TEAMS
Heady times for these 50 professional franchises.
BY KURT BADENHAUSEN

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▲ PAGE 28

"I WANT TO CREATE BRILLIANT PHONES THAT WILL STUN THE MARKET."

—Rahul Sharma, cofounder of India's Micromax

24 | NEXT TYCOONS: PACKING NEW PUNCH
India's luggage leader, VIP Industries, has a daughter freshening the tags on its bags.
BY ANURADHA RAGHUNATHAN

28 | "THE 7 SERIES IS COMING—WATCH"
India's Micromax wants the mobile phone market, top to bottom and worldwide.
BY SARITHA RAI

32 | MEGABYTE MOGUL
Nathan Eagle gives free data to smartphone users in poor countries.
BY PARMY OLSON

36 | THANKS, JEFF BEZOS!
Aussie billionaire Anthony Pratt is the unlikely beneficiary of online retailing.
BY CHASE PETERSON-WITHORN

39 | HOLLYWOOD POWER BROKERS
Stars get all the glory, but it's the off-camera moguls who make the biggest fortunes.
BY CHASE PETERSON-WITHORN

40 | TESLA'S SECRET FORMULA
An inside look at Elon Musk's electric car company.
BY JEFF DYER, HAL GREGERSEN AND NATHAN FURR

49 | COFFEE HOUSE
Starbucks founder Howard Schultz's glittering new hideaway on Hawaii's Big Island.
BY ERIN CARLYLE

65 | ALTERATIONS
Zhou Haijiang and family have made changes since appearing on our cover ten years ago.
BY RUSSELL FLANNERY

THE PHILIPPINES' 50 RICHEST

50 | KING OF ORE
Manuel Zamora Jr. and Nickel Asia bounce back from communist rebels' attacks.
BY LALA RIMANDO (FORBES PHILIPPINES)

56 | THE LIST
A mixed bunch of ups and downs among the nation's richest.
EDITED BY KEREN BLANKFELD

FORBES LIFE

88 | TREASURE ISLANDS
Japanese billionaire Soichiro Fukutake has created a serene archipelago of art.
BY SUSAN ADAMS

92 | THOUGHTS
On machines.



▶ PAGE 88

"I'M SEARCHING FOR ETERNITY. I WANT THE ART TO BE SIGNIFICANT IN ANY AGE."

—Soichiro Fukutake, creator of an art archipelago in Japan's Seto Inland Sea



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Bear on the Bund



Animal spirits will need reawakening.

I was surprised that more serious businesspeople and economists didn't question the supposed 7% Chinese growth rate or at least how it was being fueled by debt to get anywhere close to that figure of late. The signs were all around, including the sales figures that so many multinationals could have been reading in their own accounts.

But apparently the long defiance of output gravity that has characterized China in the past decade caused too many to deny for too long that an economic transition was being forced on the country, even if its powerful leaders were proving hesitant to push fast on fundamental reforms. So only suddenly did a realization of Chinese weakness, as signified by a modest devaluation of the yuan, send world equity markets over the falls.

China itself is likely to find its productive footing before long—there's too much underlying activity to be smothered by all the bad borrowing, the corruption, the one-party furtiveness. Modern China has had stock busts before: 1999-2000 and 2004-05. In the aftermath of this one it will show slower but more sustainable growth. But the Chinese sneeze seems to have spread a bout of pneumonia, particularly in emerging markets near and far, where not only equities but also bonds and currencies have been hit.

So the spreading paper-wealth losses will put a damper on some spirits and will be reflected in our rich lists just ahead. (The Philippines 50 in this issue were valued before the worst stock declines.) Maybe if this leads, as other panics or crises have done, to less of the risky credit and rampant investment banking that booms invite, then genuine production for sale and use will again be the order of the day. Most of Asia's industries and service sectors can compete well if their governments competently pursue proper policies. (Lately, though, only Sri Lanka seems to be moving decisively in a better direction—even the noneconomic news has been generally grim of late.)

Meantime, one good use of the riches that were piled up in recent years is the philanthropy on display, beginning on page 66. The recipients of this help, if the charity helps as intended, ought to be better able to participate in Asia's next golden era.



Tim Ferguson
Editor, FORBES ASIA
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READERS SAY

Flexibility in Japan

Regarding DIP, Japan's largest job-search website ("Help Still Wanted," *August, p. 64*): It is no great surprise that the part-time employment market is booming in Japan. Many of us, particularly women with families, favor part-time over full-time jobs because they enable one to have more meaningful time to be interactive with children and elders. DIP's Hideki Tomita has been creating a win-win situation for employers to get the right employees and vice versa.

MICHIYO TANAKA
Osaka

Time for Clarity in China

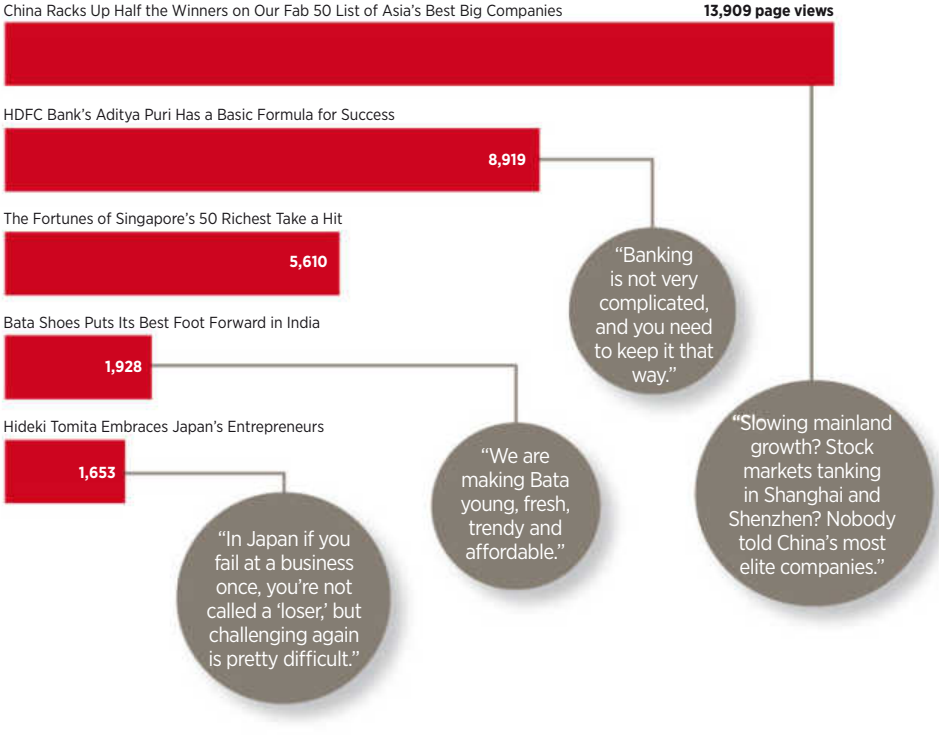
Regarding economic transparency in China ("Wonders But No Wizards," Sidelines, *August, p. 8*): For years official reports from districts and provinces have not exactly reflected the actual situations. The recent plunge of China's stock markets has sent shock waves to President Xi and his government. The bottom line is we have to learn to be more transparent and responsible.

MENCIUS DING
Beijing

CORRECTION: The introduction to our list of Singapore's 50 Richest *(August, p. 72)* had a picture of Shanghai's skyline, not Singapore's. In "Belles of the Ball" *(August, p. 18)* a forecast for 9% growth of luxury ad spending next year referred to Hong Kong, not the Asian region.

THE INTEREST GRAPH

Our Fab 50 List, and nine-time member HDFC, gleaned the most Web traffic from our August issue.



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OMINOUS MOVE
CHINA'S DEVALUATION

BY STEVE FORBES, EDITOR-IN-CHIEF



CHINA'S DEVALUATION of the yuan underscores the ongoing, dangerous, growth-retarding mess of U.S. monetary policy and, indeed, the fundamental deficiency of modern economic thinking. This intellectual bankruptcy threatens the ability of economies to grow and will consequently breed more political turmoil here and around the world.

Long term, it means the dollar's days as king of all currencies will be over unless the next President knows enough to reverse the greenback's decades-old slide in value.

Some key points:

• **China's move isn't your traditional devaluation.** Rather, it's a response to the dollar's recent (but temporary) surge in value. Dollar instability wreaks havoc whether it's strengthening or weakening. A watch that can't keep accurate time is useless, whether it's too fast or too slow. On a trade-weighted basis the yuan had surged 22%, since mid-2012, before Beijing took action.

• **The dollar's strength will likely continue.** Unless the Federal Reserve changes policy on interest rates and bank regulation, bank lending won't be strong for consumers or small and new businesses. The Fed has effectively frozen bank reserves, which means that the very thing it and every other central bank ostensibly fears—deflation—will continue. The yuan, despite Beijing's reassurances, will likely experience small, continuing devaluations—the opposite of the crawling revaluation that began in the middle of the last decade. Commodities, such as oil, gold and copper, will experience more downward pressure.

• **Despite trying to compensate for the strong dollar, China's move won't be without consequences.** A number of Chinese companies and local governments in recent years have taken on dollar-denominated debt, having forgotten what happened to similar borrowers during Asia's 1997–98 economic crisis. The current upheaval will spur even more capital outflows from worried, well-to-do Chinese. The uncertainty will hurt domestic investment by internal entrepreneurs and will cause foreign direct investment to slow. Political tensions with the U.S.—already heating up (both Democrats and Republicans are increasingly angry and upset with Beijing's growing assertiveness in claiming disputed waters and ocean real estate)—will be exacerbated.

None of this bodes well, short term, for a vigorous resumption of growth.

• **Beijing may use dollar instability to set up a yuan-centered trading and monetary bloc with some of its neighbors, especially Indonesia, to reduce U.S. influence.** The roaring greenback is increasingly wreaking currency and economic havoc in such countries as India, Indonesia, Malaysia, Thailand, South Korea and the Philippines.

Combined with Obama's slashing of U.S. military strength and his deliberate weakness vis-à-vis Iran, ISIS and Russia, the dollar turmoil gives Beijing the opening it needs to begin patching together an Asia co-prosperity sphere that would isolate Japan and freeze out the U.S. This is a recipe for deadly instability à la the 1930s.

• **If monetary policy today were a company, it would be declared insolvent.** Today's economic nomenklatura think money is a tool to drive and control economic activity. That's about as accurate as saying that manipulating the way in which scales measure weight can drive down obesity levels.

Money is not wealth. It measures the value of products and services, just as scales measure weight, rulers measure length and clocks measure time. Money is a claim on goods and services. It makes buying and selling infinitely easier. Without the ability to trade with one another, we'd still be living in caves. Fixed weights and measures are essential to a smoothly functioning marketplace. So is money that has a *stable* value.

Unstable money hurts investing. After all, why take a risk if you don't know the value of the currency in which you're

going to get paid back? It shortens the investing time horizon. The longer the wait period, the more risk of chaos.

By suppressing the market price of borrowing and lending dollars, the Fed has reduced the volume of bank lending, in the same way that rent control damages the building of new apartments.

The decision of the U.S. Treasury Department and the Federal Reserve in the early part of the last decade to gradually weaken the dollar has cost the global economy billions of dollars in lost growth. The weak greenback set off a commodities boom that sucked up countless billions of dollars in investment. The thinking was that if prices were going up that could only mean we needed more of those things. But the price signals were wrong; they weren't a reflection of scarcity but of dollar weakness. This was even more glaringly evident in the false housing boom—the aftershocks of which still afflict us.

Overseas, surging commodity prices led to impressive prosperity in such countries as Brazil, Russia and South Africa. Now, however, these same countries are suffering economic contraction, which has been made worse by the strengthening dollar.

Needless to say, the roller-coastering dollar has hurt just about every nation, which is hardly conducive to sound domestic politics or constructive global behavior. It provides fuel for 1930s-style currency wars and protectionism.

Will China Boom Again?

Is China losing its mojo? Some see its currency devaluation as an anxious effort to stimulate exports and boost lagging economic growth rather than as a defensive response to the surging dollar. Other worrisome moves:

• **Beijing's pending strike against online financial services.** At the apparent behest of the country's powerful state-owned banks, the Bank of China is readying rules that would severely restrict third-party online payments, dealing a severe blow to such online sellers as Alibaba and Tencent. The real target? These and other companies' online financial services. Alipay, a part of Alibaba, has a money market fund with almost $100 billion in assets. An online banking system has been rapidly evolving that can more and more effectively and more cheaply serve consumers and small businesses.

Most of China's 40 million-plus nongovernment-owned enterprises are ignored or ill-served by China's mammoth legacy banks. Online retailers, in contrast, have a wealth of information about the creditworthiness of hundreds of millions of people and tens of millions of small businesses that mostly reside in a legal and banking twilight zone. These firms usually have to pay exorbitant interest rates from "shadow" lenders. Thanks to high tech, a financial system to meet their needs has burst upon the scene almost overnight. Consumer lending services are arising, too.

Incumbent big banks aren't happy. Online services, under the rules being foisted on them by the big banks, will be crippled. There is one exception: the online services offered by the big banks! If regulators follow through on these proposals (see Gordon Chang's alarming piece on Forbes.com), China will have delivered itself a major economic blow.

As Rich Karlgaard observes on page 14, it's the millions of nonstate-owned companies that make up most of the economy *and* an even greater proportion of China's growth and dynamism. Their profitability also far exceeds government-favored firms.

• **The curse of Keynes.** In response to the 2008–09 economic crisis Beijing went on a stimulus binge, which, proportionately, made President Obama look like Scrooge. The splurge of construction spending, funneled primarily through the banking system, kept China's GDP humming, but a huge amount of this capital was wasted on at least ten major ghost cities and other white elephants. Overall indebtedness in the country exploded.

Contrary to Keynes, who thought make-work was great, capital wasted at government's behest doesn't create a strong economy, and China is now paying the price.

• **This blunder led to others.** Beijing actively stoked the recent stock market boom, which went spectacularly bust. This, in turn, led the bewildered government to freeze much of the market. The original theory here—one worthy of American economists like Ben Bernanke and Janet Yellen—was that rising stocks would encourage companies to sell equity to redress their debt-heavy balance sheets. The bigger response was massive borrowing to buy stocks.

The current regime strikes some observers as once again favoring state-owned or politically well-connected companies, thereby falling into the kind of statism that ultimately stultifies an economy. Also creating uncertainty is a major anticorruption drive that many see as a political purge, which is upsetting assumptions that have governed political behavior for a couple of decades.

So is China headed for a Japanlike era of economic stagnation? Not likely, and the reason is the survival of the Communist regime. A prolonged slowdown would be politically catastrophic for the Party; the economic boom that has existed since 1978 is what gives the regime its legitimacy. Sooner rather than later, President Xi will have to push reforms on the scale of those China experienced in the mid-1990s. These will have to include major tax cuts and simplification (neighboring Hong Kong's flat tax system provides the model), pulling back any boneheaded restrictions on the rise of online financial services, easing the process of starting a legal business (China's involves 11 procedures) and pushing harder—and more consistently—to liberalize capital markets. Then those overlooked small businesses will once again make China an economic juggernaut.



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CHINA SYNDROME



ZILLOW.COM SAYS my house in Silicon Valley—which, as the drone flies, is equidistant from Stanford, Apple and Google—has doubled in value since March 2009. The recent surge is partly driven by buyers from China. I'll share an anecdote that everyone in the Valley has seen or heard. A house goes on the market for $3 million (the typical price for a 2,500-square-foot home on one-quarter acre). Within two weeks the house has sold. Later you learn that it went for 20% over the list price and that the buyer made an all-cash offer. The buyer was from China.

The market speaks. But what is it saying? I was in Singapore and Taiwan last month and discussed the fact that Chinese buyers are bidding up Silicon Valley prices. Singapore and Taiwan are also seeing this, as are Sydney, San Francisco, Seattle and Vancouver. The question is: Are rich Chinese house buyers diversifying, or are they planning an escape for themselves and their children? Is it Plan A or Plan B?

If you knew the answer, you could make a lot of money. China watchers around the world are trying to guess whether China's stock meltdown and yuan devaluation are a correction or an earthquake. If smart Chinese have taken some stock market profits and reinvested them in American and Australian coastal real estate, then China's 37-year growth story is poised to continue. On the other hand, if smart Chinese are planning their exits, China might be in bigger trouble than most know.

China's critics appeared to be vindicated during this summer's troubles. But beware: Many China bashers have predicted China's demise for a long time. James Chanos, the Wall Street billionaire, has steered investors away from China for years. American journalist Gordon Chang wrote a book predicting China's collapse, *The Coming Collapse of China* (Random House), which came out in 2001. Chang is right about one thing. China's central government, at the pleading of debt-bloated state-owned banks, wants to slap China's thriving online banks, such as Alibaba's Alipay, with credit limits of 5,000 yuan. Hardly enough to buy one iPhone. This high-handed move would cripple Alibaba, Tencent and other Chinese online stars.

CHINA'S DEATH IS EXAGGERATED

To get it wrong regarding China, as a businessperson, investor, politician or military strategist, is a goof that has consequences. The best place from which to gain an understanding of China, I would argue, is not Europe or the U.S. (including Silicon Valley, which has the best American seat from which to view China). It's also not from China, where information is hard to come by, the contents of your laptop's hard drive are considered free for the taking and Google's Gmail mysteriously stops working. The best places are from the smaller countries in China's neighborhood where free speech and association are allowed. Singapore and Taiwan are two such places. These countries are allies of the U.S. but can't afford to make major investment or political errors regarding China.

The opinion on China from Singapore and Taiwan falls closer to Plan A than Plan B, as described earlier. I was invited to speak at a quarterly board meeting of Temasek, Singapore's $200 billion sovereign wealth fund. For the fiscal year Temasek's fund—diversified in stocks, real estate and commodities—was up 19%. Smart folks. Several Temasek board members said they thought China's summer stock swoon was a correction. The drop mirrors an earlier correction in Hong Kong stocks. China's projected GDP growth of 7% isn't a mirage, as Jim Chanos and other Western pundits have asserted. China's growth is real and, if anything, is probably understated.

The key error many Americans make regarding China's economy is in underestimating the strength of the country's private and entrepreneurial sectors. They make up 70% of the country's GDP—most of which is vibrant. Any weakness is in hoary old SOEs (state-owned enterprises), which include old-line banks with credit bubbles. Missed are the impact of such entrepreneurs as Xiaomi's Lei Jun, dubbed the Steve Jobs of China, and the enduring strength of tech giants Lenovo and Huawei. Also missed is the role played by the millions of businesses that employ 12 or fewer employees. The small fry are armed: They have smartphones, connections to global markets and (for now) online banking and credit.

For a clear look into what's going on in China—good and bad—I highly recommend a recent book, *China's Disruptors* (Portfolio), by Edward Tse, a management consultant who has spent the last 20 years getting to know the country's best entrepreneurs. F

THOMAS KUHLENBECK FOR FORBES

RICH KARLGAARD IS THE PUBLISHER AT FORBES MAGAZINE. HIS LATEST BOOK, *TEAM GENIUS: THE NEW SCIENCE OF HIGH-PERFORMING ORGANIZATIONS*, CAME OUT IN JULY. FOR HIS PAST COLUMNS AND BLOGS VISIT OUR WEBSITE AT WWW.FORBES.COM/KARLGAARD.

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Excellence in Education

Cheah realized that if Sunway Resort City was to maintain its vital community, it had to have education at its core. So in 1987 he founded Sunway College within the township, one of the first private colleges in Malaysia. The campus rapidly outgrew its original premises and moved to a purpose-built campus. In 2011 it was awarded full university status.

That was just the beginning. Today, the Jeffrey Cheah Foundation (JCF) owns and governs the nonprofit Sunway Education Group, which encompasses 12 higher learning institutions including Monash University Malaysia. The group is the nation's largest education-focused social enterprise.

"With two world-class universities, Sunway Resort City is recognized as an international education hub," Cheah said. "Our aim is for it to be seen as the 'Harvard of the East.'"

Through generous donations and gifts, JCF is extending its efforts to promote educational advancement in the township and beyond by establishing ties with some of the world's pre-eminent academic institutions including Harvard, Oxford and Cambridge University.

These links have opened up a 2-way flow of faculties, scholars, thinkers and researchers between universities and the Sunway Education Group. Following the tie-up with Harvard, the Jeffrey Cheah Institute on Southeast Asia was established last year. Overseen by the International Academic Advisory Council, it is the first independent university-based think tank in Malaysia and will focus on public policy concerns in the region.



Tan Sri Dr. Jeffrey Cheah, AO, with the pioneering group of Harvard trekkers during the 2014 Asia Leadership Camp at Sunway University



Tan Sri Dr. Jeffrey Cheah, AO, with world-renowned American economist and senior UN advisor Professor Jeffrey Sachs at the 4th Southeast Asian Studies Symposium at Sunway University, Malaysia in March 2015

By 2015, JCF will have awarded more than RM200 million (US$60 million) in support grants and scholarships to 23,000 students who continue to raise the academic bar at Sunway.

Visionary Philanthropy

These impressive achievements all stem from Cheah, who applies two simple mantras to his projects: "integrity, humility and excellence" and "doing business with a heart."

"For any nation to leapfrog in its growth, quality education should be made accessible to the deserving," Cheah said. "JCF's tagline 'Nurturing the Seeds of Wisdom' reflects our aim of providing talented students with a chance to pursue quality higher education."

The resort city and its vibrant community is a far cry from the memory of jobless miners walking away from a desolate site. "It's way beyond what I ever imagined," Cheah said.

But Sunway's educational and philanthropic project is an ongoing task that will never be truly complete, Cheah said, adding with a smile, "I aspire to inspire before I expire." ■

Forbes Asia

THE MAN BEHIND THE MOVE ON MICRON

Tsinghua Unigroup's Zhao Weiguo discusses the Chinese government's relationship to the nation's chip business.

BY YUE WANG

Two years ago China's Tsinghua Unigroup was nothing more than an obscure state-backed company peddling scanners and herbal medicine drinks. But a reported deal to buy U.S. chipmaker Micron Technologies for $23 billion has brought it into the spotlight.

Tsinghua Unigroup, 51% owned by state-run Tsinghua Holdings, is still in talks with Micron, despite the steep national security concerns the deal faces. Powerful New York Senator Charles Schumer recently called on U.S. officials to block the takeover on national security grounds, as military contracts may be involved. Arizona Senator John McCain had earlier also raised concerns.

The deal, if completed, would be the largest takeover of an American company by a Chinese investor. Tsinghua Unigroup, headed by 48-year-old Zhao Weiguo, seeks to use foreign know-how to boost China's chip sector. Since 2013 China has spent $200 billion a year importing chips, almost as much as it did on oil, according to the Beijing-based China Semiconductor Industry Association.

Tsinghua Unigroup is not the only Chinese company eyeing acquisitions in foreign markets. Leadcore Technology, a unit owned by state-run Datang Telecom, is reportedly weighing an offer for the wireless chip unit of Marvell Technology in the U.S. Marvell chips are used in Samsung mobile phones, Sony game consoles and Xiaomi products.

China's smaller deals have already quietly gone ahead. Hua Capital, a Beijing-based private equity firm cofounded by Tsinghua Holdings and China Fortune-Tech Capital, led a consortium seeking to take over California's OmniVision Technologies in a $1.9 billion deal. Hua Capital is also a member of the consortium that in June agreed to buy Integrated Silicon Solutions, another California chipmaker, for $640 million.

FORBES ASIA sat down with Tsinghua's Zhao in early August.

FORBES ASIA: What is Tsinghua Unigroup's role in the government's chip plan?

Zhao Weiguo: I came to Tsinghua Unigroup in 2009. In the first few years things were difficult. I made some adjustments and injected new businesses into Unigroup. After making sure that this company could survive, I thought about doing high-tech deals. High tech is a good fit for Tsinghua Unigroup, because it can count on Tsinghua University for talent and research.

I am an engineer and am very interested in information technology. I am familiar with the chip industry. There is a Shenzhen-listed company called Tongfang Guoxin. I founded it in 2000. I know China's local chip industry is weak, but the demand is huge. Developing technologies ourselves will take a long time. If you buy other companies, you acquire their businesses, teams and patents. So we bought Spreadtrum. At that time we didn't know anyone in the government, so this deal was completely market-oriented. The government noticed us afterwards and came to us to communicate. Then we bought RDA. Everyone thinks that the government is pushing the development of the chip sector, but it is not like that. In fact, companies did some stuff first, and then the government started to notice. Tsinghua Unigroup is actually a very market-oriented company. All our decisions are based on business. But it is easier to get government support if you do some stuff, mainly because of the university and its alumni.

Do you talk to the government before you make a deal? Or does the government approach you first?



"You can't solve the problem of markets no matter how good your government relations are."

No. Mergers and acquisitions should be kept secret. We didn't use government money when we bought Spreadtrum and RDA. Government doesn't know much about business. It doesn't make much sense to discuss business deals with the government. Government should respect companies. The semiconductor industry is different from others. You can't solve the problem of markets no matter how good your government relations are. Your clients will not buy your products simply because you are supported by the government. If China's semiconductor industry could have developed simply because it got government support, then it would have developed a long time ago. The Chinese government tried to support this industry several times already.

All your deals are based on business?
I need to raise a lot of money for acquisitions. I can't do that if my deals don't have business value. My private company has a 49% stake in Tsinghua Unigroup. I need to be responsible for my personal assets as well.

What about the Micron deal?
I can't discuss that at the moment. All I can say is Tsinghua Unigroup is very interested in the memory chip sector.

How do you plan to respond to foreign governments' national security concerns?
We haven't met such problems so far. Mergers between big U.S. and Chinese companies are bound to happen. They should be viewed from a business perspective instead of being treated under nationalist and political contexts.

If you can't buy a company, will you consider acquiring stakes or building joint ventures?
We are very interested in the memory chip sector. I will look at how things go to decide how we enter this market.

What is your investment ethos?
We focus on the Internet, chip and cloud computing. We won't do smartphones or health care. I have already shed Tsinghua Unigroup's health care business. I like companies with good teams. I also attach a lot of importance to cash flow. I won't touch a company with a negative cash flow. I don't integrate the companies I buy. We build a better management mechanism for them and inject our resources. We trust them and give them a lot of autonomy.

I am probably the most conservative investor in China. My first investment principle is looking for companies like



"I know China's local chip industry is weak, but the demand is huge."

a woman going shopping. Then I buy the targeted company like an antique dealer. I act quickly, like a hungry tiger catching meat. But people don't see how I prepare for acquisitions. They only see the moment I act and think I am a tough one. But I am actually very conservative.

When you decided to focus Tsinghua Unigroup on the chip sector, did you know that the government would soon support chip companies?
No. We had absolutely no idea that the government would launch an industry investment fund. But I think its decisions are affected by our acquisitions of RDA and Spreadtrum.

How do you raise money?
Primarily from insurance companies and private equity firms. I don't like using bank loans. I can find good projects, so a lot of institutions like to invest along.

What is your personal background?
My parents are from Henan Province, but they met in Xinjiang. My father was sent there to do agricultural work because he was classified as a right-wing dissident in 1957. In 1978 they were no longer called dissidents. They became teachers. I spent most of my childhood feeding pigs and herding sheep. Selling pigs was the main source of our family income. In 1978 China resumed college entrance tests. Everybody knew at that time the only way to change your life was through education. My dad told me to learn a technology so I could have a better chance of survival if there were more political upheavals. At that time China just had television. Fixing televisions paid a lot of money. So my dad told me to do that. I paid for my Tsinghua education by fixing televisions and writing software.

I am the eldest son. I have a brother and a sister. I took care of them when my parents tended the fields. I still can't believe that a 5-year-old me raised a 3-year-old brother.

How did you found Beijing Jiankun?
I worked at Tsinghua Unigroup after completing my master's. Then I worked at Tongfang. Working at state-owned companies wasn't that interesting. I decided to do something else. From 2000–08 it was good to invest in mining and real estate. Doing real estate during that time was like robbing money; Jiankun still has some real estate assets. But I have sold the mines.

How did you return to Tsinghua Unigroup?
Tsinghua Unigroup wasn't doing very well. The school's professors and leaders knew me. They approved of my business skills, and they wanted to cooperate. I then bought shares from minority shareholders, so I have 49% today. I pledged to donate 70% of my personal assets to Tsinghua. I will probably donate the other 30% to other universities. Chinese universities normally don't have a lot of money.

TOMOHIRO OHSUMI / BLOOMBERG

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The World's Most Valuable Teams

THESE ARE boom times for pro sports owners as they capitalize on their greatest financial advantage: DVR-proof appointment television in a fractured broadcast market. As such, franchises around the globe are awash in cash thanks to multibillion-dollar media deals.

The world's 50 most valuable teams are now worth an average $1.75 billion, up 31% from just last year. The minimum valuation to make the cut is $1.15 billion (versus $856 million a year ago), thanks largely to the soaring worth of NBA and Major League Baseball teams. The top 50 include 22 MLB and hoops franchises, compared with 10 in 2014.

The NFL and MLB might be hot right now, but the world's most valuable team still resides in Spain. Real Madrid ranks first for the third straight year at $3.26 billion, edging out the Dallas Cowboys and New York Yankees, tied for second at $3.2 billion. (The value of the Spanish soccer powerhouse is down 5%, however, due to the decline of the euro against the dollar.) For more, see forbes.com/most-valuable-teams.



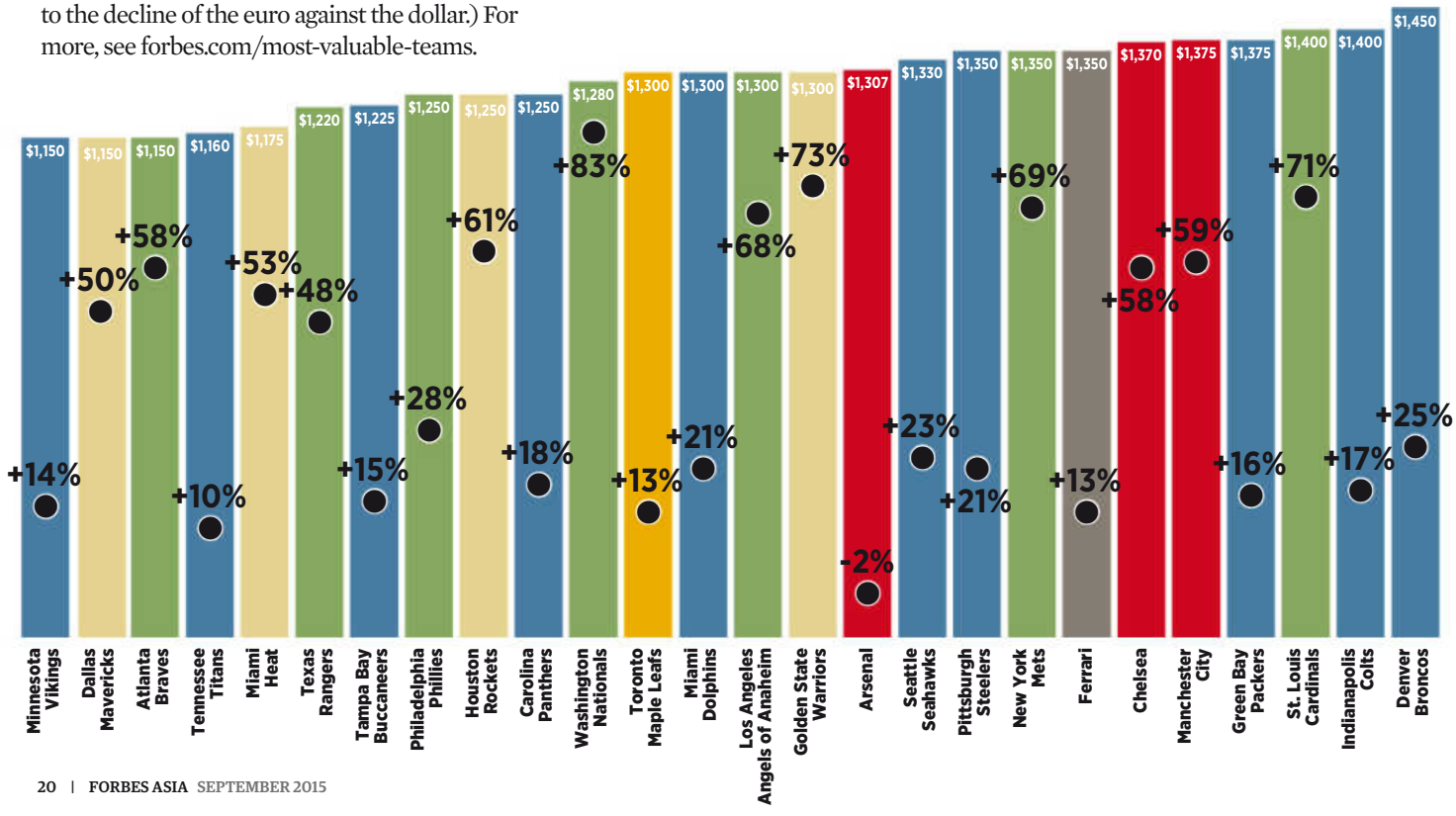
#37 The Maple Leafs have been the NHL's most valuable franchise for nine straight years.

#5 United's record-shattering $1.1 billion ten-year dual licensing deal with Adidas kicks off with the 2015–16 season.



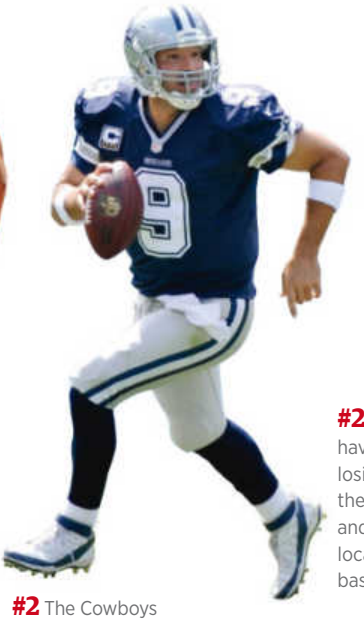
Team Values ($mil)

BASEBALL · BASKETBALL · FOOTBALL · FORMULA ONE · HOCKEY · SOCCER · 1-YEAR CHANGE (%)



#14 The Bulls led the NBA in attendance last season for the sixth straight year, averaging 21,343 fans per game.





#47 The Heat played 87 playoff games between 2011 and 2014, but the departure of LeBron James kept the team out of the postseason in 2015.

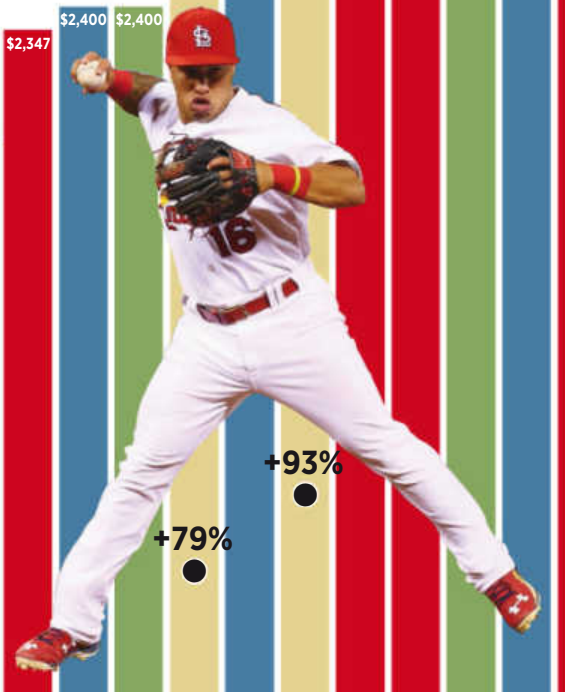


#27 The Cardinals have had only one losing season over the past 15 years and had the highest local TV ratings in baseball in 2014.

#2 The Cowboys make more than $100 million a year from sponsors, topped by their 25-year $500 million stadium deal with AT&T.







BY KURT BADENHAUSEN

PHOTOGRAPHS: JAMES REIMER; ABELIMAGES/GETTY IMAGES, WAYNE ROONEY; MATTHEW PETERS/MAN UTD VIA GETTY IMAGES, TONY ROMO; FREDERICK BREEDON/GETTY IMAGES, KOLTEN WONG; DILIP VISHWANAT/GETTY IMAGES, DERRICK ROSE; DOUG PENSINGER/GETTY IMAGES, DWYANE WADE; STACY REVERE/GETTY IMAGES

TRAVERSING THE LANDSCAPE OF BIG DATA

THE SURVEY

More than 300 senior data and analytics pros from the world's top firms.

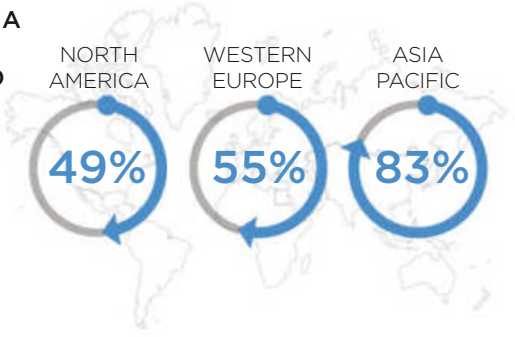
THE LEADERS

The top survey takers say big data is transformational, efforts are "best of breed," and impacts are reflected in the bottom line.

C-SUITE SUPPORT

Firms with C-suite support are showing the biggest gains, but chiefs in the West are lagging behind those across Asia Pacific.

IS BIG DATA A TOP 5 ISSUE ON THE CXO AGENDA?



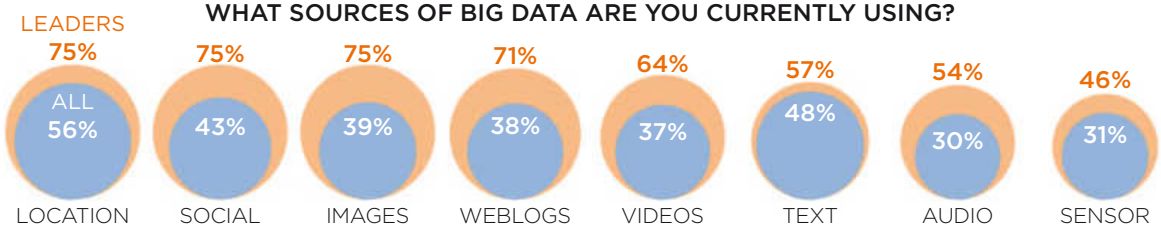
INVESTMENT

Leaders are making "very significant investments" to build capacity and increase scalability.

THE RIGHT DATA

Leaders are as likely to use established sources, such as text and sensor, but are far more likely to collect data from new sources like social media and video.

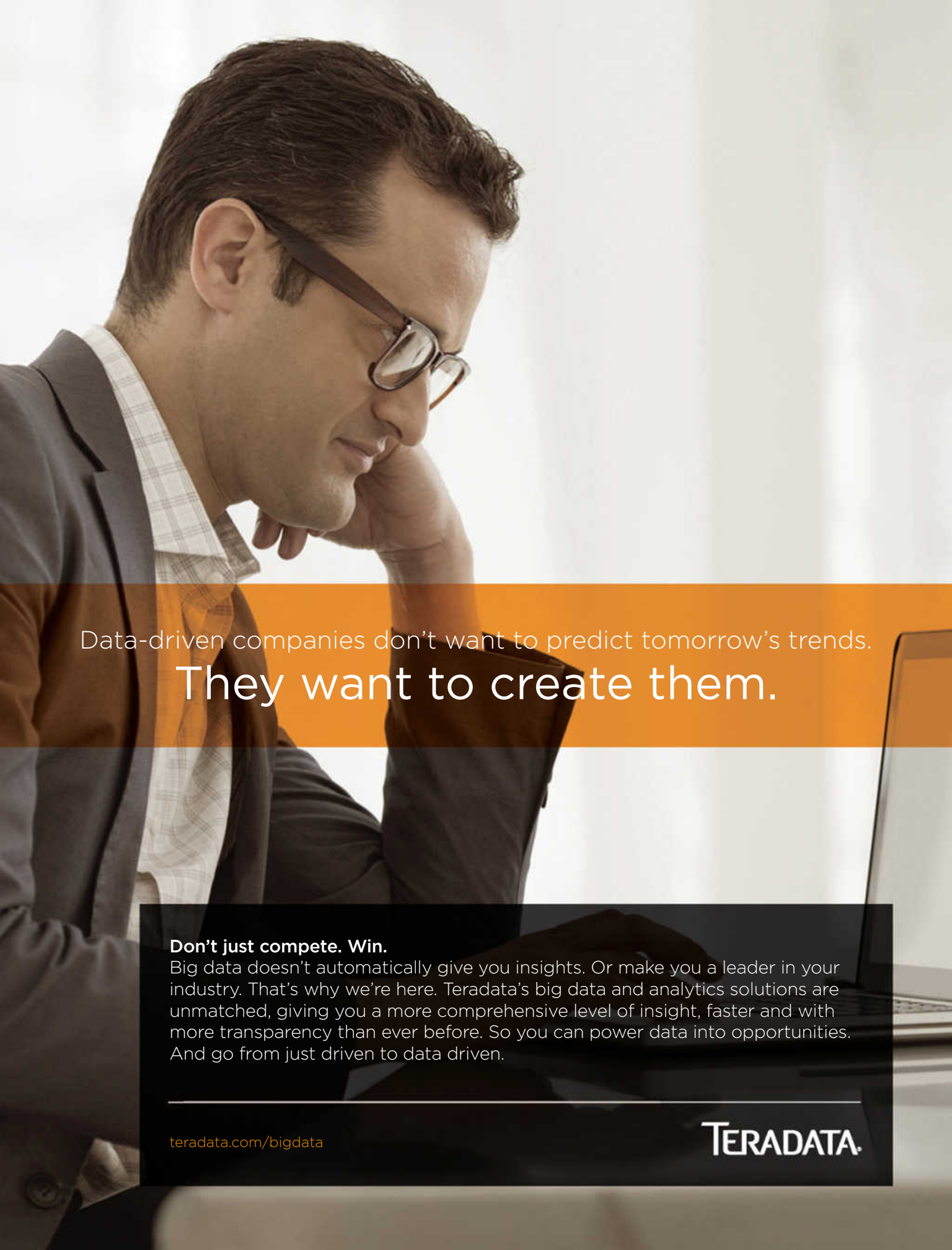
WHAT SOURCES OF BIG DATA ARE YOU CURRENTLY USING?



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THE NEXT TYCOONS
A GENERATION EMERGES

Packing New Punch

India's luggage leader, VIP, pressed by rivals, has a daughter freshening the tags on its bags.

BY ANURADHA RAGHUNATHAN

When Dilip Piramal, chairman of India's largest luggagemaker, VIP Industries, wanted to add youthful verve to his stodgy, 48-year-old company, he chose his daughter Radhika to lead the charge in 2010.

Armed with a bachelor's degree from Oxford and an M.B.A. from Harvard Business School, Radhika set to work, trotting out one new and two relaunched brands, embracing a splash of colors and roping in young Bollywood stars to endorse the new efforts. Father and daughter also opened a plant in Bangladesh for manufacturing soft luggage—which is currently imported from China—to fend off currency concerns. And they expanded from long-haul luggage to women's handbags, office bags and backpacks.

"We are moving from being a luggage company to a lifestyle company," says 37-year-old Radhika, managing director. "We need to transform to stay relevant."

The father-daughter duo is also capitalizing on the travel trends in the country. Indians are young and traveling more. As they move about—within and outside the country—they're carrying lighter, brighter and trendier suitcases, bags and backpacks. The Piramals are catering to this wanderlust with brands like VIP, Carlton and Skybags.

VIP Industries has grown to $168 million in annual revenues, but a generation ago it had 80% of the domestic market and relied heavily on government stores meant exclusively for the armed forces and their families. Now there's intense competition at these stores and elsewhere—from global luggage leader Samsonite's American Tourister brand and homegrown player Safari.

"VIP has a strong distribution reach and a legacy brand that has recall even in smaller towns in India,"

RAJAT GHOSH FOR FORBES



On the go: "We need to transform to stay relevant," Radhika Piramal.

says Manoj Bahety, deputy head of research at Mumbai's Edelweiss Securities.

It was purchased by Dilip Piramal and his family in 1973. Dilip—the middle of three brothers in the storied Piramal clan—broke away from the larger family in 1982, taking VIP with him. (Younger brother Ajay Piramal is a billionaire with interests that include pharma, financial services and real estate, and the family of late older brother Ashok Piramal is into textiles, auto components and sports. There are no cross-holdings or linkages between the different groups.)



VIP Chairman Dilip Piramal: "Luggage is not a large industry—you can only grow so much."

Radhika, the second of Dilip's three daughters, started out with VIP in 2001. She worked with the company until 2004, helping with the acquisition of U.K. luggage brand Carlton. In the ensuing five years she got an M.B.A. and worked with Bain & Co. and later with Future Brands. She rejoined VIP in 2009.

The division of labor at the luggage outfit is clear. While Radhika is in charge of the day-to-day operations, her father eyes strategy. Business at VIP is characterized by frank conversations between the two. "I use these conversations as a sounding board to weigh the pros and cons of various decisions," says Radhika.

And with many decades of experience dad never hesitates to say what's on his mind. "Luggage is not a large industry—you can only grow so much," cautions the outspoken dad, 65. "And how many innovations can you really bring about? Earlier we had luggage without wheels and now you have wheels. And then we went from two wheels to four wheels. We also moved from hard luggage to soft luggage."

That's why he pushed for the entry into women's handbags. In 2012 Radhika launched Caprese—handbags in the $50 to $80 range named after the Mediterranean island of Capri. Bollywood's Alia Bhatt is the marketing face. Radhika wants this to be the largest women's handbag brand in India in the next five years. It's already sold through 500 outlets and is available with all major e-commerce players. The biggest challenge is to get women to move from unbranded to branded bags.

Radhika beta-tests bags as well as duffels, executive cases and suitcases as she travels within India. (Fashion conscious but a company loyalist, she hasn't sported a Gucci or a Coach in her life.)

Her luggage relaunches included repositioning 1980s vintage Skybags as a youthful brand with colorful, four-wheel trolley cases and backpacks. Screen hunk Varun Dhawan became Skybags' brand ambassador this year. Sales already had been compounding at a 72% clip the last four years.

But the company's eponymous label is still nearly half of all sales. It's a traditional Indian favorite, and VIP luggage is still favored by parents as a wedding gift to daughters, especially in the eastern states. So getting those daughters—and sons—to really welcome the tag is a fundamental challenge. "Only the VIP brand can move the needle in a meaningful manner," says Edelweiss' Bahety.

Sales have grown in rupee terms in the past year, but profitability fell—hit both by a weak rupee as well as higher advertising spends. "When you're building three brands, it'll show up on the profit-and-loss statement," explains Radhika. "It's a conscious management decision. My focus is to keep improving the gross margin. We also want to double revenues in the next five years."

To this end she's using the company's legacy oomph to boost business in the 300 smaller towns among the 400 domestic locations it reaches.

Samsonite, which is a market leader in most of the 100 countries it operates in, hasn't been able to unseat VIP in India—yet. It really burst out in 2000, opening 140 stores in a single year. In 2005 it rolled out its American Tourister brand and built that into a $120 million blockbuster in a decade. It's also more profitable than VIP, catering to a higher-end segment. VIP dominates in the $50 to $100 price range, but now Samsonite is set to attack the lower end of that segment with a new brand.

Staying competitive is not just a branding proposition but also a sourcing issue. China supplies 70% of VIP's soft luggage. But it's becoming costlier. So, in January 2014, VIP set up a Bangladesh plant. (This is in addition to three plants in India, which handle the hard goods.)

Both Radhika and her company are anticipating a prolonged journey. "If we're thinking of a 20- to 30-year horizon, we'll need to have an alternative to China," she says.

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"The 7 Series Is Coming—Watch"

India's Micromax wants the mobile phone market, top to bottom and worldwide. Top ten in share isn't enough.

BY SARITHA RAI

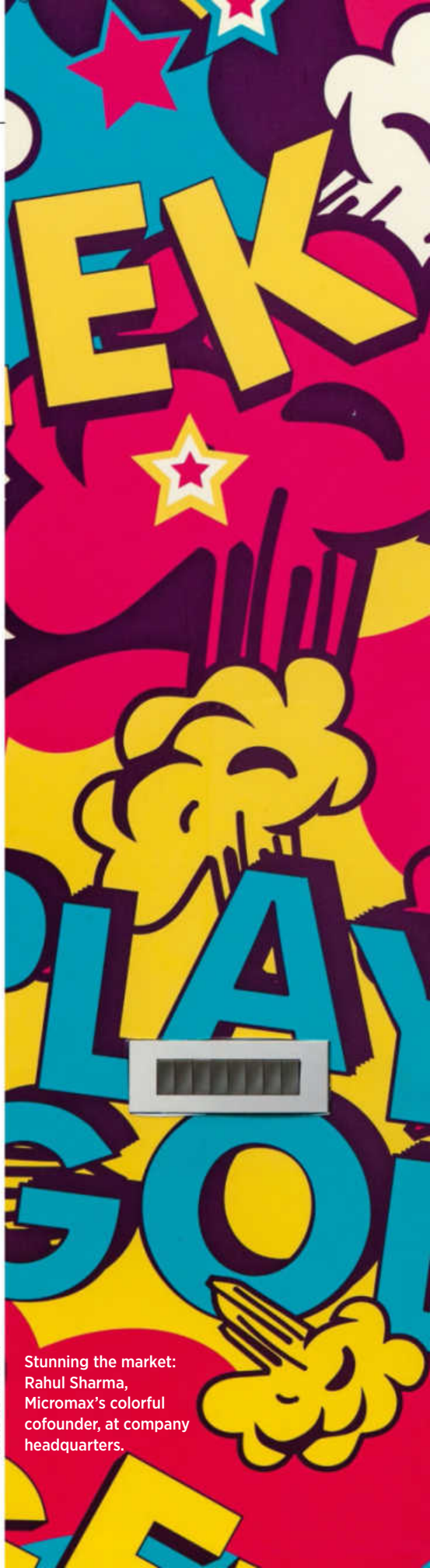
Religiously, each month, Rahul Sharma turns up at a random mobile phone store in one of the country's crowded bazaars, takes off his jacket and poses as a sales agent. For the next few hours he sells phones of all brands, while quizzing buyers about usage habits, features they crave and pain points. By the end the cofounder and driving force behind India's No. 2 (in sales) phone brand, the $1.8 billion (in revenue) Micromax, has updated his market sense.

"Not a single great tech products company is Indian. I want to make Micromax the first global product-centric services company out of India," avers the soft-voiced Sharma, lounging on the black leather sofa in his stylish low-rise headquarters in the Gurgaon suburb of New Delhi. Nearby, his table is seemingly littered with a hundred Micromax phones of all sizes and hues.

To achieve his goal, 37-year-old Sharma has first to take Micromax, India's king of mass-market phones, from its new perch in the top ten into the elite top five phone brands in the world. "We are now Micromax 3.0—nimble, constantly innovating, changing, which is our biggest strength," he says. The Formula 1 and videogames junkie is a speed fiend who's learned from flat-footed global names like Motorola and BlackBerry: "The two legendary brands did not acknowledge change—they did not move fast enough."

Sharma toys incessantly with the recent $300 Micromax Canvas Sliver, whose recurring TV commercial shows *Wolverine* film star Hugh Jackman escaping a high-security prison using nothing but the sleek metallic 5.1mm-thick smartphone, weighing a mere 97 grams, touted as the world's slimmest and lightest. "I want to create brilliant phones that will stun the market and have everybody going, 'Wow! How in hell did these guys come up with these?'" he says.

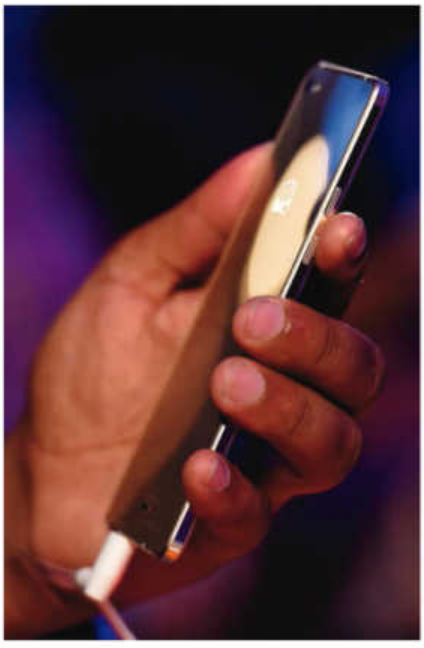
First Micromax must consolidate the Indian market. In the quarter ending in June 2015, a total of 56.6 million phones were shipped in India,



SUMIT DAYAL FOR FORBES

Stunning the market: Rahul Sharma, Micromax's colorful cofounder, at company headquarters.


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Breakthroughs and breakouts for smartphones: In Micromax's TV ad campaign, Hugh Jackman escapes from prison by using his svelte and sleek (5mm thick) Canvas Sliver.

of which 12.3% were Micromax phones. In smartphones it does better, according to consultancy CyberMedia Research, with a 15% share. But global leader Samsung is 8 or 9 percentage points higher in both.

"The year 2014 was the tipping point for India's $15.5 billion phone market, which dramatically upped the stakes for everyone," says industry veteran Vineet Taneja, Micromax's CEO. Below his own firm and Samsung, the story was not Apple, which has only just woken up to India's potential and launched its first TV commercial. Instead it was the Chinese juggernaut, which consists foremost of Xiaomi, which has zoomed to number three globally, and also upstarts like OnePlus. Xiaomi said it sold a million devices in five months, and OnePlus, a later entrant, is aiming to sell a million in 2015.

This was already the second-biggest phone market after China, but Anshul Gupta, research director at Gartner India, points to deeper factors drawing global players toward India: Only 30% of all phones sold there last year were smartphones, compared with 90% in saturated China. Sales of smartphones doubled last year and soared over 50% (so far) this year as smartphones rapidly replace hundreds of millions of older feature phones. "India is in hypergrowth mode," he says.

Sharma and his three cofounders, Vikas Jain, Sumeet Arora and Rajesh Agarwal, all friends from their teenage years, hold 20% each of Micromax (Jain manages operations, Arora technology and Agarwal finance) while investors, including Sequoia Capital, have the remainder. But it is Sharma who is the face (he has even acted in two recent YouTube commercials for the brand) and sales driver. "I need five more countries to make up the next 1 billion potential customers ... or I need China. If the Chinese can come here, why can't an Indian company go there?" he asks. Micromax launched in Russia a year ago and has a 4.5% market share there. It now is weighing not just China but the U.S. and Indonesia as well.

At home Micromax launched a subsidiary, YU Televentures, in December to target zippy Chinese rivals by imitating their flash online sales and their geeky-cool vibe with a YU brand. But Sharma shrugs off a suggestion that Micromax is a timorous, me-too player. "Our competition changes each year—some years ago our bankers worried that we are fighting the large multinational brands, then it was India-based phonemakers; now it is the Chinese phone brands." Meantime, word went around that Micromax was considering a stake sale to Chinese e-commerce firm Alibaba at a $5 billion valuation (which Sharma denies). This is also the year when Sharma crossed over from the business pages to the glamour columns with news of his impending nuptials to Bollywood star Asin, his longtime girlfriend.

Micromax is thought to be solidly profitable—it doesn't disclose earnings—and Sharma says it can deploy a "sizeable war chest" to counter rivals. Xiaomi has revised its sales model—it isn't commenting on why—while tying up with Foxconn to manufacture in India, giving it a stronger foothold there. But Sharma shows no worry: "Xiaomi and others may have arrived, but we have an answer for them." The trump card of Indian phonemakers—not just Micromax but brands like Karbonn and Intex—may be a distribution network and a service system that reaches innermost India and is hard to replicate. "We are in the nooks and corners of India; it will take the Chinese years to have that kind of reach," says Sudhir Hasija, chairman of Karbonn Mobiles. At the same time the Indians have moved themselves to offer stylish phones loaded with features for very low prices—in part by sourcing the hardware in China.

Cheap and basic were the early watchwords of companies like Micromax that in turn led to India's exploding e-commerce and startup rush today. "We wanted to democratize technology and create a brand for the masses—we were the Maruti of mobile phones and not the Mercedes," says Sharma, referencing India's first modern yet modest car. Micromax continues to disrupt at the low end, recently launching a phone-in-a-pouch called Joy with a 4.49-inch screen, camera, radio, flashlight and an efficient battery, all for $11, imitating the shampoo and detergent sachets that reach the

VIPIN KUMAR / HINDUSTAN TIMES VIA GETTY IMAGES (LEFT)

nation's poor. That's still important for the overall success of Micromax and others. "The feature phone segment will remain active for years as a significant fraction of users are not comfortable with touchscreens and other hardware benchmarks of smartphones," says Tarun Pathak, analyst for mobile devices at Counterpoint Technology Market Research.

Micromax's beginnings were similarly humble. Sharma and another cofounder are sons of schoolteachers. (Today he lives in the plush Mehrauli suburb, a half-hour drive in his Rolls-Royce Ghost from his offices—but with his parents, like many unmarried adults in India.) Sharma recalls the late 1990s when, just out of engineering school, he commuted an hour and a half to his first job as a designer of mechanical brakes. He wanted out of the rut, but it was his father's gift of a computer that spurred him to launch Micromax Software with his three friends. The company evolved, first offering enterprise-resource training, then doing builds for Nokia and later for Indian telecom services firm Airtel. Years later, when Sharma bought himself a BMW, his parents proudly explained to relatives, "*Kuch computer mein karta hain ji*" (He does something with computers").

An almost-billionaire today like his cofounders, Sharma's real entrepreneurial ken showed in 2007 when on a visit to the rural reaches of central India's Bihar State, he encountered a line of people outside a roadside shop. They were patiently waiting to recharge their phones for 25 rupees (40 cents) as inefficient phone batteries died frequently and villages lacked power supply. "I came back from that trip thinking, why can't we make a phone with long-lasting batteries?" Sharma talked his partners into taking on multinationals—including Nokia, which had three-quarters of the market.

Micromax Informatics, as it has been called since, launched its first phone in 2008, the Xtreme, offering monthlong standby battery life. All 10,000 of those phones sold out in ten days. The innovations followed fast. When he noticed his cook at home constantly swapping SIM cards—he had one for local calls, one to call his distant village and another because it offered free incoming calls—Micromax launched its first dual-SIM phone. A painting contractor's plea that he needed a call recorder because his customers were reneging on payment terms brought another add-on. "Nokia and Motorola were cooking in Finland and America and serving in India. Their flavor was just not Indian," says Sharma.

Micromax became India's top domestic brand in 2010, but users began demanding newer features. "I would imagine Indians using the phone as a mosquito repellent, as a TV remote, as a shaving razor and so on," he says, seriously.

Still, something nagged at Sharma. Those adaptive users nonetheless called Micromax devices "Chinese," a term associated with cheap and substandard. At the same time a hundred copycats sprouted: China-made phones stamped with Indian brand names. To break through in 2012, Sharma embraced Micromax 2.0: The company that only sold feature phones unveiled its first smartphone series called Canvas A100 with a 5-inch screen—selling at 9,999 rupees, or $166, when the foreign brands wanted $700. Even as rival brands signed up Bollywood actors as brand ambassadors, Sharma roped in Hollywood's Jackman.

"The market was on fire—people loved it, and we were the gangbusters of the smartphone market in India," he recalls. Its R&D lab in Bangalore and its design team in Beijing, with a pick of designers from the defunct Nokia and Motorola, rolled out new phone models every week, as it does today.

It was in 2014 that it dawned on Sharma that the upgrade specs in ever cheaper phones game could not last forever: "We upgrade from a 13MP to a 20MP camera. We go from a quad core to an octa core processor. Then what?" Screen size or processing power could no longer be the differentiators.

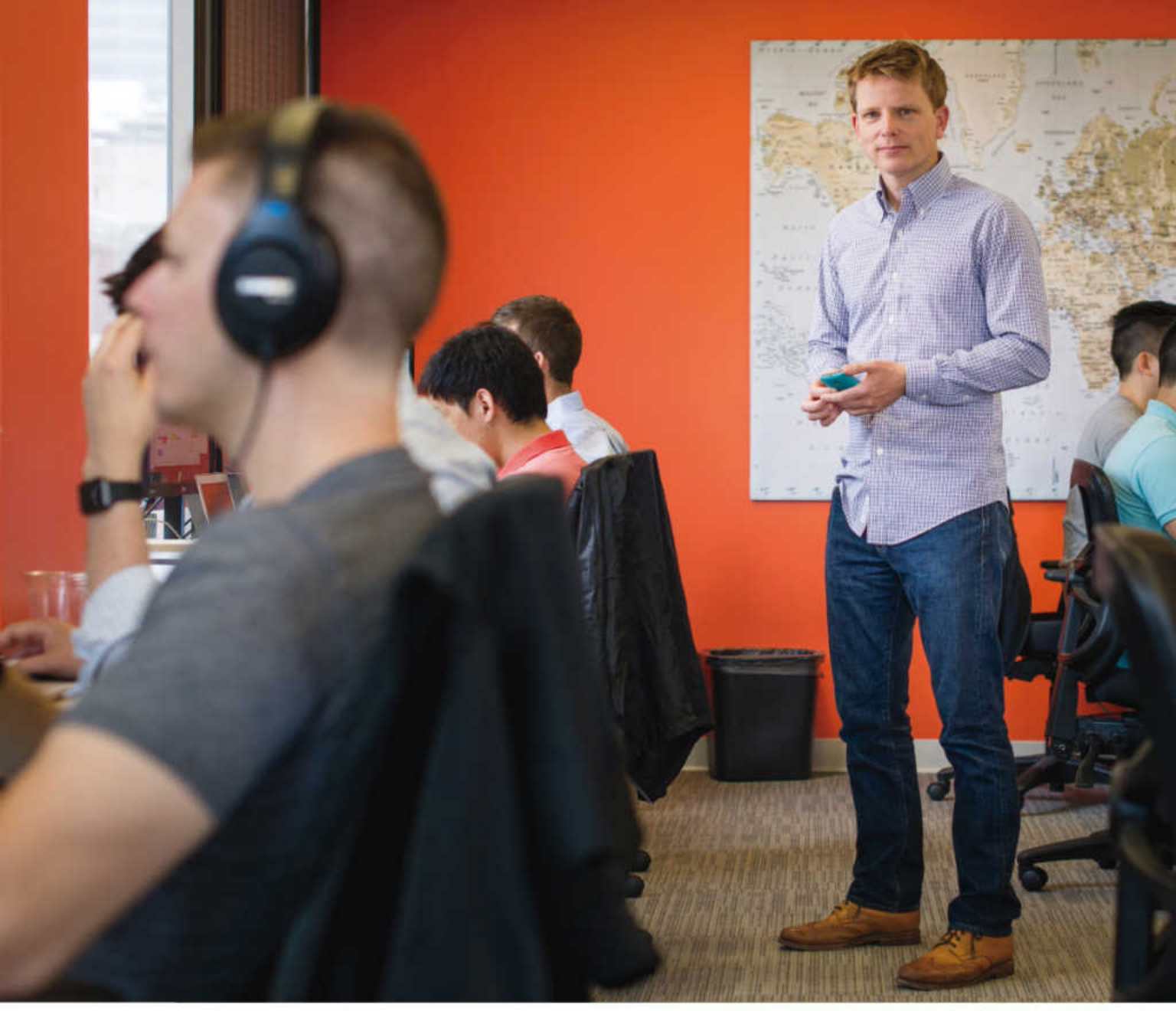
"The future is phone plus ecosystem plus services," says Sharma, sounding much like Chinese rival Xiaomi. (He let FORBES ASIA's photographer know a mobile made a passé prop.) Micromax will start piling thousands of entertainment, health care, security and cloud-services apps on to its phones; it is acquiring stakes in some of the providers. All the while, simplicity: He wants to integrate 22 Indian languages so that a mere swipe will autotranslate text into English or another language. Instead of apps that send random notifications, like hair transplant and handbag offers, to him, music-fan Sharma's idea is to personalize the device so much that it knows whether the owner's taste veers toward A.R. Rahman's Bollywood melodies or Rihanna's Western tunes.

"THE MARKET WAS ON FIRE—PEOPLE LOVED IT AND WE WERE THE GANGBUSTERS OF THE SMARTPHONE MARKET IN INDIA."

Sharma says he asked Hugh Jackman, who is shooting the *Wolverine 3* film, why movies are released on only 4,000 theater screens when they can do so on millions of phone screens.

Apple, he says, is the only company to successfully marry music, cloud services and an app store on its device. "Whoever converts a smartphone to an intelligent phone, which tells you what to eat, when and how much to exercise, and what to wear or watch is going to win this game," he says.

He can't forget his first luxury car. Micromax's first smartphone was a BMW 3 series, he says, and the recent slim, light phone a 5 series. "But the BMW 7 series is coming soon—watch out for it."



Megabyte Mogul

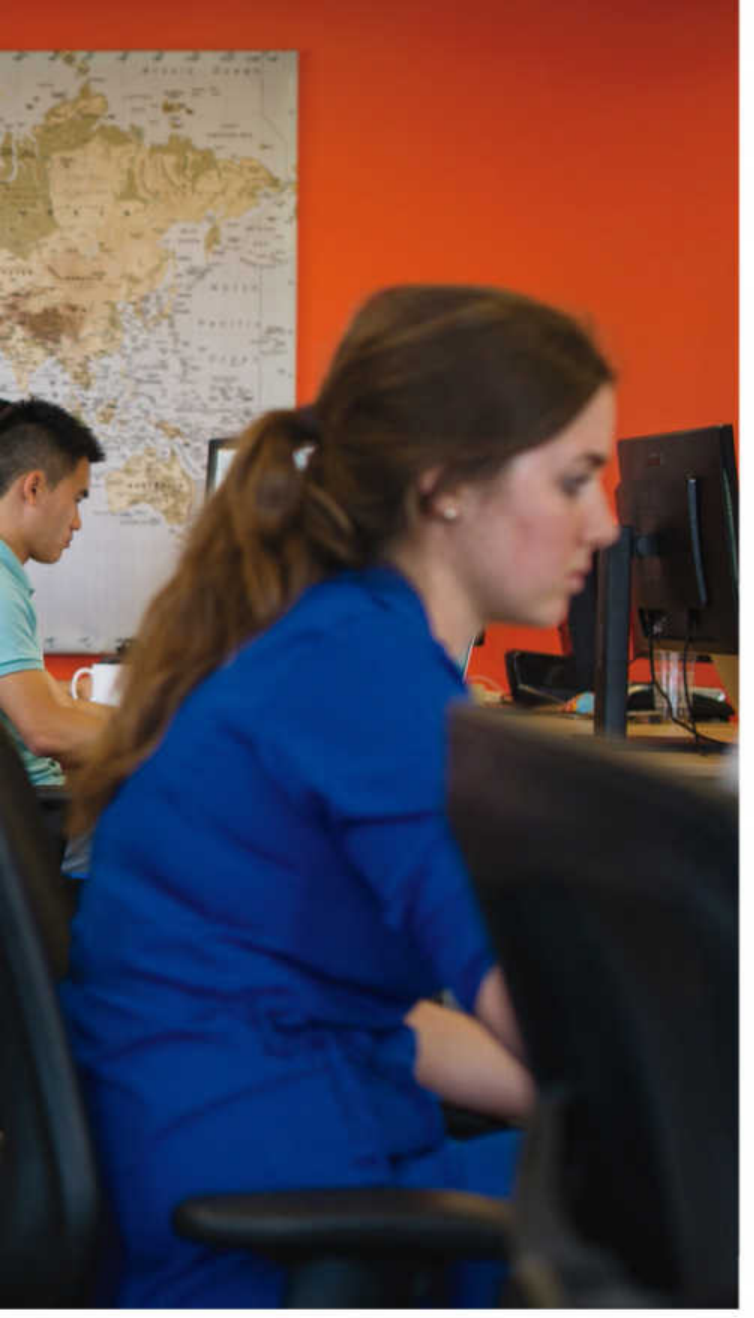
Millions of smartphone owners in poor countries can't afford to get online, so Nathan Eagle gives them data for free. Not everyone agrees with his methods.

BY PARMY OLSON

There are 7.3 billion people in the world. By 2020 some 6 billion will own a smartphone, yet many won't use these revolutionary devices to go online. "They're using smartphones like dumb phones," says Nathan Eagle, the American founder and CEO of Jana.

You've probably never heard of Jana, but for millions in the developing world it's a meal ticket to the mobile Web. Indian users of its mCent app can get 13 rupees' worth of mobile data as a reward for downloading and trying LINE, a chat

SHAWN G. HENRY FOR FORBES



Hacking the smartphone revolution's biggest bottleneck: Nathan Eagle at Jana's headquarters in Boston.

app, or 28 rupees' worth for using the music service Saavn, free data they can use to surf the Web or look for a job. LINE and Saavn pay for the data, and Jana takes a cut. Its goal beyond increasing profits is to provide free Internet to billions of people. Fanciful as that sounds, mCent has collected 30 million users in less than a year, thanks to long-standing partnerships with 311 mobile operators in 93 countries.

"I'm not aware of any other company that has more than one-tenth of this scale," says Eagle, a 38-year-old blond, no-nonsense, ex-academic who founded Jana six years ago. The only exception may be Internet.org, which is Facebook's grand and contentious project to get the next billion connected to the Internet and has a third as many users as Jana.

Jana spent years building out its data crediting infrastructure, making money through sponsorship deals with brands like Unilever. Indian consumers would buy a shampoo bottle and redeem a code in the packaging to get free airtime. Then in early 2014 Jana went fully digital with mCent, giving airtime rewards just for trying out apps like Amazon or Indian rival Flipkart, and its growth exploded. Within a year its annual revenue run-rate had shot up from a few hundred thousand to $50 million, and mCent was the fifth most popular app in India. Jana became profitable in early 2015. Around half of its revenue comes from a handful of big-name developers like China's Tencent, Amazon and Twitter, with the rest (1,500 apps and counting) coming from a long list of unfamiliar names.

Jana has succeeded because it solves the harsh economics of mobile in emerging markets: Handset prices have plummeted while the cost of data has not, as if in defiance of Moore's Law. Indians can buy a smartphone for as little as $40, yet their average mobile bill is a relatively expensive $7 a month, of which half accounts for Web access. Data in India may be extremely cheap by Western standards, costing around $4 for a gigabyte of 3G data (compared with $20 per GB for a Verizon prepaid mobile hot spot in the U.S.), but that's still pricey for many locals who make a minimum wage of 20 cents an hour. Mobile data costs up to 10% of a person's average wage in Brazil, Eagle says, and more than a third of someone's income in Africa, while in the U.S. it's more like 1% to 2%, according to the ITU.

The result: Only 57% of India's smartphone owners bother turning on their data, and those who do consume a mere 80MB per month on average, about a tenth of what Americans use. In Johannesburg teens congregate at the big mall on weekends not to shop but to use its free Wi-Fi, says Ovum's South African analyst Thecla Mbongue. "You have lots of people sitting there and downloading everything," she says.

More cell towers would help increase bandwidth, but carriers in the developing world often have thin margins, increasing competition and paltry capital budgets. In many countries average revenue per user is declining as poorer people get onto the network. "If all of those people were to get online it would be a horrible service," says Ovum's Bangalore-based senior mobile analyst, Neha Dharia. "The reason we can get online is that only a few of us are online."

This poses a problem for large Internet firms such as Facebook, Twitter and Google that need to figure out how to serve the data-starved masses (with ads). Google's Project Loon and Facebook's Internet.org both include plans to beam free Wi-Fi over developing nations from high-altitude balloons or drones, but test flights are only recently ramping up, and it'll likely be years before there's any real-world impact.

A quick and dirty solution is setting up deals with carriers to build zero-rating systems, where Internet companies cover the cost of accessing their sites. Facebook, Google and WhatsApp have pioneered the practice for years with stripped-down services like Facebook Zero (a text-only version with

no photos), while Google has a data-sponsorship program in the works to make Android apps more attractive, according to reports earlier this year.

The practice is controversial in principle, since apps that can pay their users' data bill have an unfair advantage over smaller ones that can't. End users can also get a distorted view of what the Internet is. Around 11% of Indonesians who said they used Facebook Zero didn't realize they were on the Internet at all, according to a study commissioned by the website Quartz in early 2015. Indian campaign groups have attacked Facebook's Internet.org app, which lets users browse a selection of sites for free, saying it misleads new smartphone users on the extent of the open Web.

Jana claims it sidesteps these infringements on Net neutrality because once mCent's users have tried a sponsored app, they can access any website, watch any video or install any app they like. "We give them at least double the data used [for the free download]," says Eagle.

Jana's rapid growth should give Google, Facebook and carriers confidence in their zero-rating systems, controversies aside. "Sponsored data is absolutely one of the tools that operators in emerging markets need to drive up data consumption," says Strategy Analytics analyst Phil Kendall.

Jana got its start in 2009 after Eagle completed a stint as a Fulbright professor at the University of Nairobi while still a member of the faculty at MIT's Media Lab. In his research Eagle got access to the back-end billing systems and data for operators in eastern Africa, flying to cities like Kigali, Rwanda to poke around the wires and cables of underground data centers.

During a trip to the coast of rural Kenya, Eagle found himself working out of a hospital where, to his surprise, a nurse approached asking if he'd give blood to help with an emergency transfusion. Over the next few months he was asked several more times to give blood. "Out of my own self-interest I looked at why we kept running out of blood," he says. The problem was latency. The delivery guy came around only once every two weeks to bring new blood and report back on supply levels.

Eagle programmed an SMS system that allowed the nurses to text their daily supply levels to the central blood bank. The hospitals loved it, but after a month no one was using it because each text took a small chunk out of a nurse's daily wage. Eagle used his access to the carrier's billing system to write a simple program that paid nurses ten Kenyan shillings, which included a small thank-you amount for each SMS to the blood bank. Almost immediately the nurses started using the platform again. Eagle paid the data costs out of his own pocket—less than $250 a year—before another organization stepped in. Thus was born sponsored data.

Eagle raised $1 million in seed money to build the initial data-sharing system and spent the next five years hiring telco engineers and flying out to remote regions of Africa and Asia to meet local carriers. At one point he flew to Lagos, Nigeria with a duffel bag of dollar bills to meet the middle manager of a local operator, offering the money for a regular connection to its billing system. By 2011 Jana had raised $8.5 million from Spark Capital and started to sign up big brands like Nestlé, Procter & Gamble and Unilever to sponsor airtime rewards.

But Eagle wasn't happy. Jana was morphing into an ad agency, and he was going to have to triple head count to help run each brand's campaign. In late 2013 Eagle made the gut-wrenching decision to tell Unilever that Jana was pulling the plug on its campaign and would return its cash. "It was enough money to keep me up at night," he says.

"GIVING ACCESS TO ONLY A SMALL SLICE IS NOT A GREAT SERVICE. WE WANT PEOPLE TO HAVE ACCESS TO THE INTERNET."

Instead, he got his engineers to create mCent, the app that paid consumers in data to try out any other app they wanted. Within months of its release the number of mCent's users shot up to the millions. "There is no doubt in my mind it was the right call," he says.

Jana collects valuable data on each mCent member, such as app-usage history and which friends were signed up. Clients like LINE, for instance, pay Jana to get their apps in front of users who spend more than ten minutes a day on WhatsApp. Jana has to be clear with users about what their free data will really cost in lost privacy. "The problem for all these business models is they're so often not transparent," says analyst Cyrus Mewawalla of CM Research, adding that poorer consumers who are unfamiliar with the nature of the Web risk being exploited.

MCent can fall victim to exploitation, too, when users download lots of apps they don't care about just to get free data. "We've seen a lot of games that have integrated providers who will show you an ad for another game," says Neil Rimer, cofounder of Index Ventures, who is skeptical about the quality of Jana's impressions. "I'm not a believer because you tune the ad out completely." Jana avoids that by personalizing mCent to the relevant users, Eagle counters, and tracking time spent in apps downloaded.

Eagle also says some of the critics of his corporate-sponsored approach are being paternalistic. "Giving access to only a small slice is not a great service. We want people to have access to the [whole] Internet. The benefit far outweighs the downside of exposing people to global brands."



who do we think we are?

A PR firm? A digital agency? A social shop? A brand strategy consultant? A content creation engine? An advertising boutique? We are all of them. Put them all together and you get the kind of company clients need today: an engagement agency. Today, we're engaging people in entirely new ways, from award-winning content, to live programming, to an emphasis on the new digital language — visuals. To find out how we can help you, visit www.webershandwick.asia.

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engaging, always.

Thanks, Jeff Bezos!

By turning an endless supply of trash into an endless supply of boxes, Aussie billionaire Anthony Pratt is the unlikeliest beneficiary of the migration to online retailing.

BY CHASE PETERSON-WITHORN

When Anthony Pratt, the affable, orange-haired Australian billionaire behind America's biggest maker of fully recycled cardboard boxes, takes you on a tour of his factory in Valparaiso, Indiana, you're bound to stop for the bronze plaque outside: "Dedicated by Muhammad Ali on July 15, 2000." "I like to say we're the second-greatest boxer of all time," Pratt chuckles.

Well-worn jokes and a friendship with Ali aren't the only things he has to be happy about. His privately held Pratt Industries is one of the fastest-growing players in America's $35 billion corrugated packaging industry and the only big boxmaker using 100%-recycled paper. By taking the nation's paper trash—yellowed newspapers and greasy pizza boxes—and turning it into new packaging, Pratt has helped bolster a personal fortune FORBES estimates at $3.4 billion, while saving some 50,000 trees a day. That's especially significant in today's world of online shopping, where everything comes in a box. "We were in recycling before recycling was cool," says Pratt, 55.

In the past 15 months alone the company, based in Conyers, Georgia, has invested nearly $450 million in America, most notably constructing a $260 million paper mill (the company's fourth) next to the Ali-autographed box factory in Valparaiso. The firm does $260 million in Ebitda (on $2 billion in sales), and Pratt thinks it will surpass $300 million once the new mill—driving his first big push into nearby Chicago, one of the largest box markets in the U.S.—comes online in September. In total the company operates more than 130 sites, including paper mills, box factories and distribution centers, across 26 states and Mexico, churning out more



JAMEL TOPPIN FOR FORBES

Paper tiger: Pratt Industries CEO Anthony Pratt at his plant in Valparaiso, Indiana.





By feasting on the refuse of rivals, Pratt Industries is on track to double U.S. sales to $4 billion by 2022.

than 3,000 tons of paper every day. That's enough to create 12 million boxes, all without cutting down a single tree. "They're the upstart player in the industry," says Mark Wilde, managing director at BMO Capital Markets. "It's a remarkable story."

Pratt's journey began at a single wasteful paper mill in Macon, Georgia in 1991. That's when he was dispatched to the U.S. from Australia, where his family operated Visy, a recycled-packaging juggernaut founded by his grandfather in 1948. (Today Pratt Industries and Visy operate as sister companies, both run by Pratt.) Arriving in the country he quickly saw a gap in the market. Everyone was making paper from trees. Why wasn't anyone just recycling the stuff heading for the landfills, as Visy did in Australia? He soon shuttered the Macon mill and focused on recycling the waste produced by competitors.

That decision—made more than a decade ahead of the recent consumer-driven outcry for greener products—unleashed a domino effect of efficiency. Unlike his rivals, who must operate mills close to timber sources and then send the paper to factories near cities, where it's turned into boxes, Pratt situates operations where they make the most logistical sense: near cities, which are full of waste—and customers—thereby cutting transportation costs.

And because he's relatively new to the U.S. market and builds his own factories—rather than acquiring existing plants, like most of his competitors—Pratt's facilities are some of the most advanced and efficient in the industry. He builds cheap by owning his own construction company, one that specializes in making mills on budget. Newer technology and the relative simplicity of the recycling process allow his mills to employ just a quarter of the staff his competitors do. "We're building the space shuttle competing against other people who are still flying Spitfires," he says.

Still, he's dependent on his competitors to keep pumping out more paper to be thrown away, collected and sent to his mills. After all, paper fiber can be recycled only so many times before it starts to disintegrate. But given the size of America's paper market and how entrenched his competitors are in the standard (and profitable) method, he's bullish about the future.

He sees Pratt Industries, which controls less than 5% of the U.S. market, doubling in size to more than $4 billion in sales in the next seven years while global sales grow to $10 billion. That includes $1 billion from his newly launched California operation, a play into the state's massive fruit and vegetable market. Pratt is also cozying up to big shippers like Amazon and the U.S. Postal Service, betting that the rise of online retailing will translate to more boxes being sent directly to consumers who want to see sustainable products. And Pratt continues to expand one of his most successful product lines: lightweight packaging.

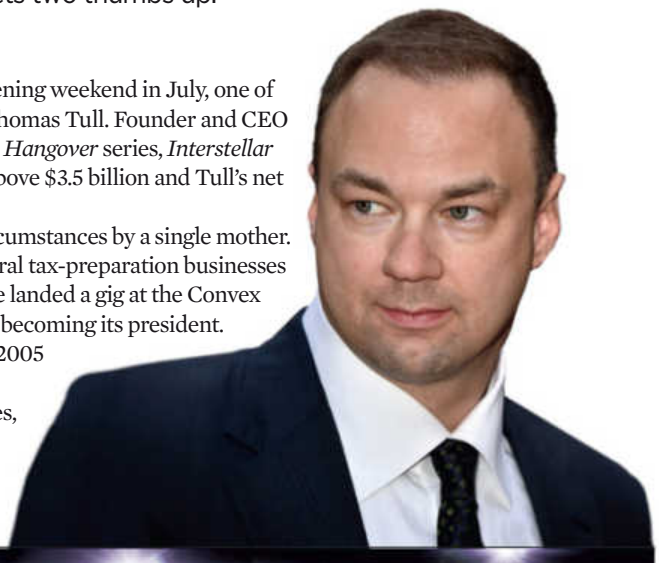
He's also dependent on U.S. companies to keep pumping out products to be boxed, tethering him to American manufacturing. That puts him in a position many might find uncomfortable, yet Pratt is happy to rely on a sector many once counted out. Industry is booming, according to Pratt, and the country's regenerative nature is more than enough to carry a young boxer a few more rounds. "My policy in America is 'steady growth is forever,'" says Pratt. "We think sustainability is a wave that's not going away anytime soon." F

JAMEL TOPPIN FOR FORBES

Ten-Figure Action Hero

Movie producer Thomas Tull's skyrocketing net worth gets two thumbs up.

BY CHASE PETERSON-WITHORN



WHEN *JURASSIC WORLD* rampaged to a record $209 million opening weekend in July, one of the biggest beneficiaries was its 45-year-old coexecutive producer, Thomas Tull. Founder and CEO of Legendary Pictures, Tull had a hand in the *Dark Knight* trilogy, the *Hangover* series, *Interstellar* and *Godzilla*. Their success has helped push Legendary's valuation above $3.5 billion and Tull's net worth to $1 billion.

Tull was born in Binghamton, New York and raised in modest circumstances by a single mother. After college he started a chain of laundromats and later bought several tax-preparation businesses before heading to a venture capital firm in North Carolina. In 2001 he landed a gig at the Convex Group, an Atlanta-based media-content distribution firm, eventually becoming its president.

In 2004 he raised $600 million from Wall Street investors and in 2005 headed to Hollywood, where he inked an eight-year financing and production deal with Warner Bros. that spanned more than 30 movies, including *Inception* and *Pacific Rim*. In 2013 Legendary announced a new deal with Universal Pictures; the biopic *Steve Jobs* is among its upcoming releases.

Titans Of Tinseltown

MOVIE STARS get all the glory, but those whose fame is largely off-camera command even bigger fortunes. These are the ten wealthiest moguls with at least 60% of their net worth tied to their entertainment ventures. Roll the footage:

1. Rupert Murdoch 21ST CENTURY FOX
($12.5 BILLION) Film division had a great 2014, with boffo box office of $5.5 billion and a Best Picture Oscar for *Birdman*.

2. Sumner Redstone VIACOM
($5.2 BILLION) The 92-year-old still chairs Viacom, home to MTV, Nickelodeon and Comedy Central.

3. George Lucas LUCASFILM
($5.1 BILLION) Sold his company to Disney for $4 billion in 2012; consulted on upcoming *Star Wars* installment.

4. Isaac Perlmutter MARVEL
($4 BILLION) Scored huge with *Iron Man* and *Avengers 2*, though this summer's *Fantastic Four* was a debacle.

5. Steven Spielberg DREAMWORKS
($3.6 BILLION) Executive-produced *Jurassic World* reboot; directed this fall's hotly anticipated Cold War flick *Bridge of Spies*.

6. Haim Saban UNIVISION
($3.5 BILLION) Chairs the top Spanish-language TV network, for which an IPO is likely this autumn.

7. Oprah Winfrey OWN/HARPO
($3 BILLION) Cable network OWN enjoys soaring ratings; film imprint Harpo coproduced critical darling *Selma*.

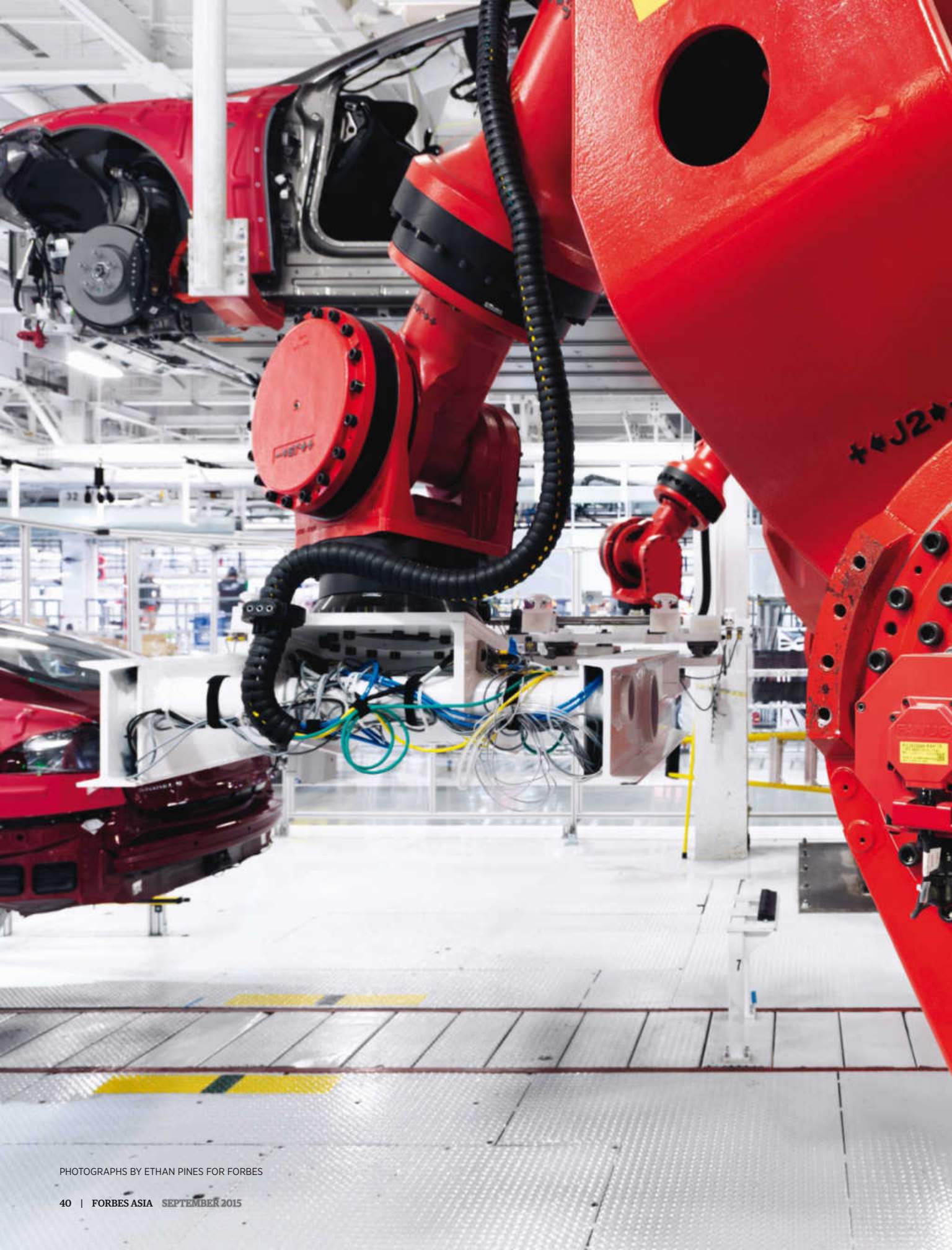
8. Reed Hastings NETFLIX
($1.6 BILLION) Running rings around cable with streaming video and original hits, including *House of Cards*.

9. Brian Roberts COMCAST
($1.4 BILLION) Assets include Universal Pictures, NBC News and Sports, Telemundo and theme parks.

10. Thomas Tull LEGENDARY PICTURES
($1 BILLION) *See above.*



KEVIN WINTER / GETTY IMAGES (TOP); ILLUSTRATION BY JOHN UELAND FOR FORBES



PHOTOGRAPHS BY ETHAN PINES FOR FORBES



Tesla's Secret Formula

Elon Musk has inherited Steve Jobs' mantle as the cult favorite CEO. And his electric car company has grabbed Apple's creative crown. An inside look at the world's most innovative company.

BY JEFF DYER, HAL GREGERSEN AND NATHAN FURR

The first thing you notice when you step on to Tesla Motors' production floor are the robots. Eight-foot-tall bright-red bots that look like Transformers, huddling over each Model S sedan as it makes its way through the factory in Fremont, California, on the eastern, shaggier side of Silicon Valley. Up to eight robots at a time work on a single Model S in a choreographed routine, each performing up to five tasks: welding, riveting, gripping and moving materials, bending metal and installing components. Henry Ford and the generations of auto industry experts who have followed would dismiss this setup as inefficient—each robot should do one task only before moving the car on to the next Transformer.

It's a $3 billion criticism, to be specific. That was the amount shaved off the company's market value in early August after Tesla cut its sales forecasts for the year by 10% to 50,000 vehicles, citing delays in teaching the robots to make both the Model S and the new crossover SUV Model X. "The Model X is a particularly challenging car to build. Maybe the hardest car to build in the world. I'm not sure what would be harder," admitted Elon Musk, Tesla's billionaire founder and visionary CEO, who also serves in those same roles at SpaceX.

But neither delays nor the cash burn ($1.5 billion in the past 12 months) particularly phases Musk. He just wants to focus on making the world's best car, and the $70,000 Model S, by all rights, can claim that prize. An all-electric vehicle, it offers a week's worth of driving on a single charge from any one of a nationwide network of free solar-powered charging stations. It goes from 0-60 in under three seconds in "ludicrous" mode, the fastest of any four-door production car on the planet, and is also the safest car in its class. When it collides with the crash-test machine, the crash-test machine breaks. You can order it online and have it delivered to your door, get software updates beamed wirelessly and receive maintenance alerts before bad stuff happens. Plus, it's beautiful. The door handles reach out to be opened as you approach, then fold flat for better aerodynamics. Don't believe us: *Consumer Reports* called it the best overall car on the market for the past two years.

High-end disruptors produce innovations that are leapfrog in nature, making them difficult to imitate rapidly. They outperform existing products on critical attributes on their debut; they sell for a premium price rather than a discount; and they target incumbents' most profitable customers, going after the most discriminating and least price-sensitive buyers before spreading to the mainstream.

Tesla has built its entire company around this idea. The Model S and X will be followed in 2017 by a cheaper Model 3, a $35,000 Tesla for the masses, if all goes according to plan. And despite the fact that Tesla abandoned its forecast of turning a profit this year (even with its unusual and pro-company lease accounting), investors can't get enough of it: Musk has raised $5.3 billion in equity and debt for Tesla since 2010, with each round increasingly oversubscribed by investors, including a $650 million secondary offering in mid-August, partly to complete its giant battery-making Gigafactory in the Nevada desert. "The willingness of the markets to support the company with various financing structures leads me to believe that everything will

THE WAVE, MUSCAT:
CHARTS OMAN'S REAL ESTATE SUCCESS

The Sultanate of Oman's first integrated tourism complex (ITC), The Wave, Muscat, is setting the pace for the country's growing real estate sector since opening its doors to foreign ownership in 2006.

The Wave, Muscat is a flourishing, 4,000-strong, cosmopolitan community spread along six kilometers of natural coastline, located just 10 minutes from the new, multibillion-dollar Muscat International Airport.

Developed as a joint venture between Oman and UAE-based Majid Al Futtaim Properties, it's the realization of what an integrated community development should be. The Wave uniquely combines luxury, freehold residential properties with lifestyle and recreation facilities amid a spectacular waterfront setting.

At the heart is "The Walk," the vibrant gateway to the project is a palm-fringed boulevard that offers residents and visitors a wide choice of exclusive indoor and outdoor retail, dining and entertainment options. Follow it to the eco-friendly, award-winning Almouj Marina and its harborside promenade.

The marina is home to the internationally recognized sail school, Oman Sail, and hosts an annual calendar of elite, international water-sports events and activities. The Wave also boasts Almouj Golf, Oman's only 18-hole championship golf course, which was voted one of the top five Middle East courses in 2014 and was home to this year's PGA World Challenge Tour finale.

Together these world-class amenities give The Wave its distinctive personality and make it one of the region's most sought-after residential communities and leisure destinations for investors and residents alike..

"An innovative, master-planned community and a joint venture between the government of Oman and UAE-based real estate developer Majid Al Futtaim, the ongoing success of The Wave, Muscat is underpinned by Oman's economic stability, the robust financial policies of the central bank of Oman, and well-planned, long-term government initiatives that are spurring growth and attracting foreign investment into the sultanate, including major airport and port facilities, a national rail system, steel works, and oil and gas support industries," said David Stafford, vice president of sales and marketing at The Wave.



David Stafford, Vice President Sales & Marketing

Stafford explained Oman's population boom has given a boost to the country's real estate sector, with demand for new housing coming from both young Omanis and foreigners wanting to invest and live in Oman. Their interest is driving the market for quality property as well as for community facilities such as parks, swimming pools and walking tracks. At The Wave, the large number of local buyers — more than 40% of total sales — is underpinning long-term growth projections and reinforcing the need for integrated community living that is professionally managed.

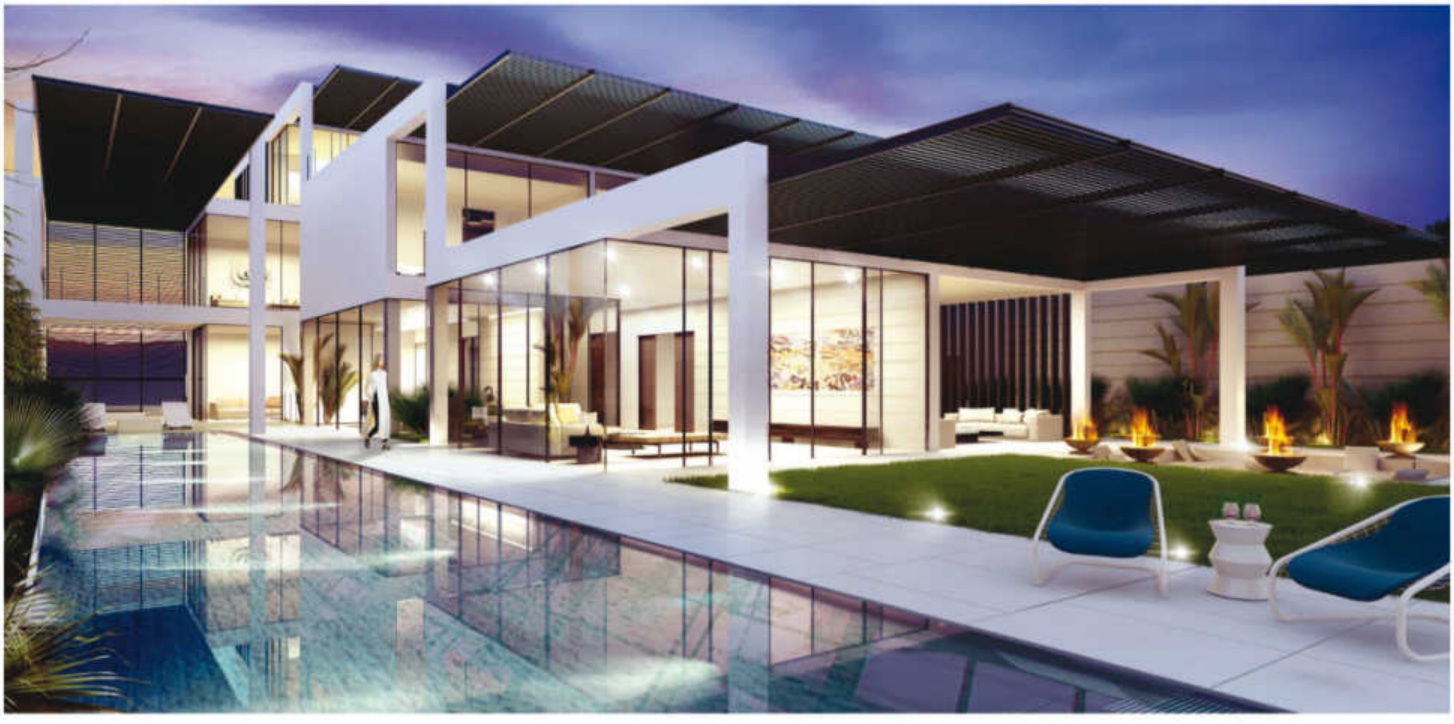
Off-plan sales reached more than US$250 million in 2014, which included US$100 million from institutional investors entering Oman's residential property market for the first time. Meanwhile a private global investment group is developing four hotels at the complex that will have a combined value of almost US$500 million; the first, five-star Kempinski Hotel, is scheduled to open in 2016.

Responding to the rising appetite in the sultanate for premium residences from local and international buyers, The Wave is adding a private, gated beachfront precinct of signature properties. Called Zunairah, it will be the country's ultimate beachfront address, featuring contemporary villas on a choice of plot sizes that range from 900 to 2,100 square meters.

While other ITC projects have emerged along Oman's coast, The Wave is the first and most successful. Situated in the heart of the nation's capital, the mega-development continues to shape the future of real estate in Oman by providing more community elements, such as a central village park, jogging track and an entertainment center as well as a school that is expected to built in the coming year.

A master plan, innovative design and a record of delivering quality continue to define The Wave, Muscat, and its success is evident by the growing cosmopolitan community that calls it home. ■

OMAN'S ULTIMATE BEACHFRONT VILLAS









ZUNAIRAH

THE ESSENCE OF PARADISE

The Wave, Muscat is proud to introduce Zunairah: The Essence of Paradise, a collection of the most enviable villas ever released in Oman.

Only a limited number of these villas will be built and you are invited to be one of the select few to own one or to choose a cluster of villas for your whole family. Designed to evoke a sense of paradise, Zunairah will offer unparalleled elegance and exclusivity.

The Wave
MUSCAT

Developed by

SULTANATE OF OMAN

ماجد الفطيم
MAJID AL FUTTAIM

تنمية
TANMIA

To book an appointment to learn more about Zunairah, please email **zunairah@thewavemuscat.com**
www.thewavemuscat.com

probably be okay, assuming the model proves viable," said Jacob Cohen, senior associate dean at the MIT Sloan School of Management.

That viability moment should come around 2017, say analysts at Credit Suisse, when Tesla is expected to show its first significant dose of free cash flow, or operating income after capital expenditures. The other metrics look golden: It is on track to gross $5.5 billion this year, up 54% over 2014. Its shares have soared 15-fold since its 2010 IPO to a recent $33 billion market capitalization.

Meanwhile, incumbent automakers face the same challenge now and long term: If much of the auto business ends up going electric (and that's a big if right now with sub-$3 gas and sales falling overall for electrics and hybrids) Tesla will be miles ahead at the high-end and coming down market to eat away at the $1 trillion industry. Detroit finds it easy to dismiss Tesla as a moneylosing startup, but it has changed the industry. "[In 2001] GM crushed all of its electric models in a junkyard," Musk says. "When we came along and made the Roadster, it got GM to make the Volt and then Nissan felt confident enough to go with the Leaf. We basically got the whole ball rolling with electrification of cars. The ball is rolling slowly, but it is rolling."

PEEL BACK THE ALUMINUM skin of a Tesla Model S and you will see what high-end disruption looks like. The motor and gearbox are a fraction of the size of a combustion engine drivetrain, mounted low between the wheels to create a larger crumple zone for passenger safety. The chassis is like a giant skateboard built to accommodate lots of battery wattage.

To create a car that looks this different, Musk has engineered a team and process that look different. Call it the Musk Way. Most car companies try to capture value with an established product. Laboring under radical uncertainty, Tesla has a process that is centered on a single purpose: speed. Like the big automakers, Tesla stamps its own body panels in-house, but it also makes its own battery packs and motors in the Fremont assembly plant. It even makes its own plastic steering wheel casings—a part easily and usually outsourced—because suppliers (much to their regret) tried sending their B teams and took months to turn around designs.

Tesla cannot wait—it updates designs continuously, borrowing ideas freely from its sibling SpaceX, including its extensive use of aluminum in both the body and the chassis of the Model S, as well as drawing and casting techniques used to produce the aluminum bodies of SpaceX's Falcon rocket and Dragon capsules. "It's very helpful to cross-fertilize ideas from different industries," says Musk.

You'll rarely find someone at Tesla who worked at GM, Ford or Chrysler or an automotive supplier (Aston Martin is one notable exception). Sterling Anderson, a former McKinsey associate and MIT-trained expert in self-driving cars, was hired in the summer of 2014 to work on Tesla's autopilot systems. Now he's the program manager of the Model X. The reason Tesla will occasionally put someone in a position without prior industry experience is that Musk is known for selecting people based upon their ability to solve complex problems—not based upon experience. Says Tesla Chief Information Officer Jay Vijayan, "Elon doesn't settle for good or very good. He wants the best. So he asks job candidates what kinds of complex problems they've solved before ... and he wants details."

Musk's team screens job applicants for their ability to learn under uncertain conditions. Every new employee, no matter which department, has to have proven some kind of ability to solve hard problems. "We always probe deeply into achievement on the résumé," says Musk. "Success has many parents, so we look to find out who really did it. I don't care if they graduated from university or even high school."

Promotions and bonuses at both Tesla (and SpaceX) are built around a 1-to-5 rating system, with 4 and 5 being "great" and "phenomenal," respectively. "You don't get the two highest ratings," says Musk, "unless you have done something innovative. It has to be significant



Long way to go: Elon Musk wants the whole car industry to go electric. His market share today? Just 0.06%.

AP PHOTO/PAUL SAKUMA

in the case of phenomenal, something that makes the company better or the product better. Anyone can be an improver: HR, finance, production, they can all figure out how to improve things."

When Tesla first called Vijayan to ask him to consider the CIO job, he said maybe but then pulled himself out of contention. He had a cushy CIO job at Silicon Valley blue-chip software firm VMWare and wasn't looking to step out on any ledges. Tesla appeared to be taking huge risks, and Elon Musk had a reputation of making monumental demands of the leadership team. But 18 months later he got a call back and was asked to reconsider. During his interview with Musk he became convinced this company could change the world.

Vijayan's first major task? Build all the software to run the business, from scratch, in three months, for one-fifth the cost. Typically big companies spend millions of dollars on enterprise resource planning software—which handles product planning, finance, manufacturing, supply chain and sales—from large vendors like SAP and Oracle. When Vijayan told him such a task wasn't possible, Musk simply stated, with a Steve Jobs-like confidence: "Let me know what you need from my side to make this happen." Says Vijayan, "He doesn't accept constraints as 'givens' the way most people do."

Vijayan and his team implemented a basic but functioning homegrown system in four months, and with steady improvements it now gives Tesla a lightning-fast feedback loop. "We have a seamlessly integrated information system that gives us speed and agility like no other automaker," says Vijayan. By comparison, GM outsourced its entire IT function after spinning out EDS in 1996, and only since exiting bankruptcy has it rebuilt its IT strength, but at huge cost.

After hiring folks with a demonstrated ability to solve complex problems, Tesla deploys them in small teams that sit cheek-by-jowl to hasten the solutions. "Our communication allows us to move incredibly fast," says chief designer Franz von Holzhausen. "That is an element that isn't happening in the rest of the automotive world. They are siloed organizations that take a long time to communicate." Von Holzhausen was able to design the award-winning Tesla S with a team of just three designers sitting next to their engineering counterparts. Bigger automakers typically have 10 to 12 designers working on each new model.

Even the car itself is designed for speed of learning. Customers are continuously connected to Tesla via their car's 4G wireless connection and 17-inch touchscreen control panel, which sends usage data to the manufacturer in real time. Tesla will release fixes via overnight software download or make physical changes at a moment's notice. That ludicrous mode that shaves the 0-to-60mph time by 10% on the top-of-the-line P85D Model S sedan—it's available as an over-the-air $10,000 software upgrade, plus a hardware tweak. And in 2013, after receiving feedback that the back seats in the Tesla S were uncomfortable, Tesla service workers changed every owner's seats in a matter of weeks, midyear.

LEARNING IN AN ENVIRONMENT of uncertainty requires a willingness to admit mistakes and move quickly rather than digging in and doing nothing for fear of admitting failure. In fact, obsessively attempting to avoid

ONE-TRICK PONY NO MORE

TESLA IS LEARNING THE DIFFICULTY OF MAKING MULTIPLE MODELS AT ONCE. HERE'S THE LINEUP:



THE ROADSTER

RELEASE DATE: 2008. PRICE: $109,000

Sold 2,500 before production ceased in 2012. An update may arrive in 2019.



MODEL S

RELEASE DATE: 2012. PRICE: $70,000

Named best car two years running by *Consumer Reports*.



MODEL X

RELEASE DATE: SEPTEMBER 2015. PRICE: $90,000 (EST.)

Its first crossover SUV has gull-wing doors for better third-row access.

MODEL 3

RELEASE DATE: LATE 2017. PRICE: $35,000

The linchpin of Musk's strategy: This is the electric car for the masses.

Forbes

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Cesar V. Purisima
Secretary of Finance, Republic of the Philippines



Michael Hintze
Chief Executive, CQS, United Kingdom



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Mario Moretti Polegato
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David K.P. Li
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Director, Lippo Group, Co-Founder, MatahariMall.com, Indonesia



Kelly Zong
President, Hongsheng Beverage Group, China



Anthony Tan
Group CEO, GrabTaxi, Singapore



Sri Prakash Lohia
Group Chairman, Indorama Group, Indonesia



Jack Cowin
Chairman & MD, Competitive Foods Australia, Australia



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Henry Nguyen
Managing General Partner, IDG Ventures Vietnam, Vietnam

Gary Rieschel
Managing Partner, Qiming Venture Partners, China

failure can lead to the greater failure of missing the big opportunity.

When the Model S was introduced in June 2012 it came with a "smart" air suspension system that automatically lowered the car at highway speed for better aerodynamics and range. One day a Model S owner was zooming down the highway and ran over a three-ball trailer hitch. It punctured the underbody's ballistics-grade armor and the battery pack above it with incredible force. No one was hurt; the car's warning system told the passengers to exit the vehicle before a fire started in the front compartment. Tesla quickly added a titanium underbody shield to the existing armor on all new cars and made it a free upgrade on existing ones, and it updated the software so the car doesn't automatically lower at highway speed.



Tesla's chief designer, Franz von Holzhausen, is one of the few industry veterans under Musk.

Most automakers lay out their shop floor once to minimize costs and plan model lines that will remain unchanged for several years. Tesla's production engineers are continually changing the layout of the factory to learn as much as possible. Over time, as Tesla wrings out the uncertainty in the development and manufacturing process, it will transition to a more familiar arrangement, a process that is starting to happen in the second and third production lines for the Model S and Model X. Tesla learned the benefits of staying nimble early on with the Roadster when, in an effort to reduce costs, it tried to establish a global supply chain similar to a giant carmaker's. Tesla wasn't ready for that setup, and having manufacturing spread out over the world led to massive coordination problems. "We definitely don't get it perfect on the first try, not even close," says cofounder and chief technical officer J.B. Straubel. "But that's how we learn." The stakes will go way up when Tesla adds the future Model 3 on another production line. If one part isn't right, the whole factory can grind to a halt. FiatChrysler, for example, delayed the launch of the popular Jeep Cherokee by about six months because of problems with its new nine-speed transmission.

Tesla's innovation process is neither easy nor comfortable. A recent Musk biography tells the story of the time when, after asking already overworked employees to continue pulling overtime before the launch of the original Tesla Roadster, one employee said, "But we haven't seen our family in weeks." Musk's response: "You will have plenty of time to see your family when we go bankrupt." Musk also looks down on holidays, having nearly died from malaria following a trip to Brazil and South Africa in 2000. "That's my lesson for taking a vacation: Vacation will kill you."

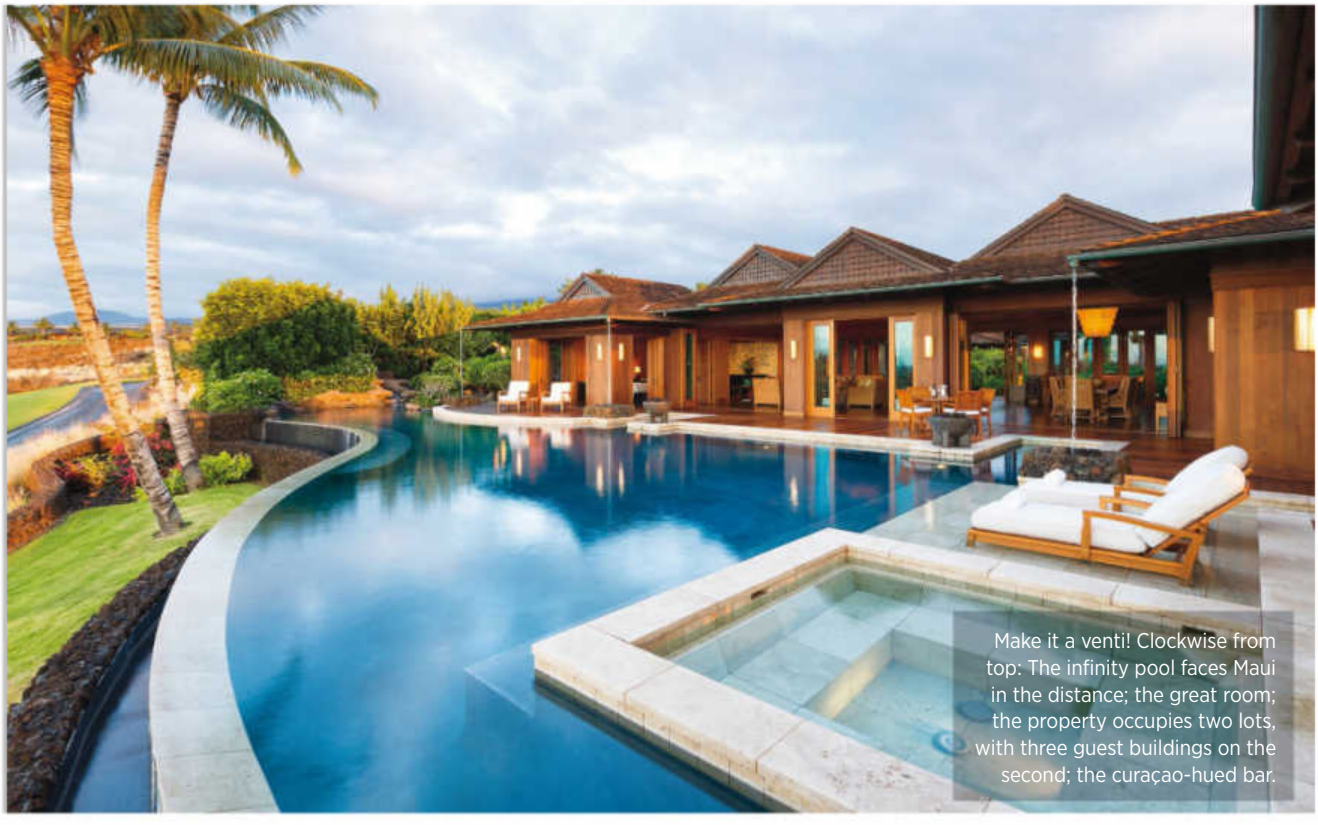
The Tesla team is successful at achieving seemingly impossible goals not just because they work harder than anyone else. It has a process for solving complex problems that is effective. "I operate on the physics approach to analysis," says Musk. "You boil things down to the first principles or fundamental truths in a particular area and then you reason up from there. Then you apply your reasoning to those axiomatic principles to assess what is really possible and what is simply perceived to be possible." This method leads to innovative solutions that even Tesla executives didn't think were possible.

Says Straubel: "Musk challenges everyone to work incredibly hard. I know that sounds stereotypical, but I think he does it to a degree that is pretty unusual, and it is highly uncomfortable for most people, but the results are fairly undeniable. If you challenge people to work hard, they achieve more than they think they can. Most leaders don't want to do that." Adds Doug Field, vice president of engineering: "We take leaps of faith that are like jumping out of an airplane and designing and building the parachute on the way down."

That's the necessary approach when you're making the transition from a one-car company to a multicar company, and doing it at scale, while also building a giant indoor energy-storage business. That's the Musk Way. F

Jeff Dyer is a professor at Brigham Young University's Marriott School of Business. Hal Gregersen is executive director of the MIT Leadership Center. Nathan Furr is an assistant professor of entrepreneurship at BYU-Marriott.

PATRICK T. FALLON/BLOOMBERG



Make it a venti! Clockwise from top: The infinity pool faces Maui in the distance; the great room; the property occupies two lots, with three guest buildings on the second; the curaçao-hued bar.

Coffee House

Howard Schultz scores a scalding-hot property on Hawaii's Big Island.





STARBUCKS' BILLIONAIRE CEO has closed on a $25 million eight-bedroom home in the Four Seasons development in Hawaii's Hualalai resort area. The 1.8-acre property hit the market in January for $33 million; the seller was William Jahnke, former head of Wells Fargo Investment Advisors.

As first reported exclusively on Forbes.com, Schultz's new abode has 10,641 square feet of living space and stretches over two lots. Located at the edge of one of Hualalai's two golf courses, it has a series of ironwood bridges over a man-made lagoon; the effect is that of a house floating on water. It boasts views of Maui in the distance; the great room, kitchen, dining room and master suite face the Haleakala volcano to the north. The entire structure is wood, with a teak exterior and no Sheetrock whatsoever.

Most amazing: It isn't even in Hawaii's most exclusive locale. That's Kukio, directly south, where billionaires such as Schultz's friend Michael Dell, hedge funder Ken Griffin, investor Howard Marks and KKR's George Roberts (as well as Warren Buffett's sister, Bertie) command prime lots and prices edge up to $70 million.

— Erin Carlyle



HAROLD CLARKE OF LUXURY BIG ISLAND REPRESENTED BOTH THE BUYER AND THE SELLER.

ETHAN TWEEDIE (BOTTOM)

King of Ore

Manuel Zamora Jr. didn't retreat after communist rebels raided Nickel Asia's mining site in Mindanao and destroyed $11 million worth of property. Of late, the company is worth $1.3 billion.

BY LALA RIMANDO (FORBES PHILIPPINES)

Jose Anievas still remembers Oct. 3, 2011 quite vividly. Early in the morning that fateful Monday, the chief operating officer of Nickel Asia was seized by New People's Army (NPA) rebels who raided the company's sprawling open-pit mining site in Claver, Surigao del Norte in Mindanao. "We were being lectured on how POWs [prisoners of war] should behave when we noticed thick smoke rising in the sky," recalls Anievas, then the resident manager at Nickel Asia's Taganito mine, the Philippines' biggest nickel producer last year: About 200 NPA men and women descended on the mine and burned construction cranes, hauling trucks, barges and four buildings.

The rebels did a lot of damage—about $11 million worth of assets went up in smoke. But they failed to destroy the foundation and steel framework of the nickel refinery being built by Sumitomo and Mitsui & Co. in partnership with Nickel Asia. The NPA members took hostages, including Anievas, an experienced mining engineer who was forced to march with the rebels deep into the forest. The hostages were used as human shields to keep away pursuing government troops. Their agony lasted almost ten hours. It was nightfall when they were released in a densely forested mountain ridge.

The NPA raid threatened the Philippines' single biggest mining investment in decades. Costing an initial $1.3 billion, the Taganito High Pressure Acid Leach Plant (THPAL) project allows the company to process mining wastes and low-grade nickel ore into high-value nickel compounds. The refinery's output will go into the production of stainless steel and other alloys that can resist many corrosive substances.

The refinery was expected to help cement the Philippines' position as one of the world's leading sources of nickel. From 13th place in 1998, the Philippines rose to become the third-highest lateritic nickel ore-producing country in the world after Indonesia and Russia in 2011. In 2014, following Indonesia's decision to ban the export of unprocessed nickel ores and sanctions against Russia's biggest nickel miner, the Philippines became the top nickel producer, accounting for 18% of global supply.

THPAL is the world's third such facility; two of the three HPAL plants are found in the Philippines and both are owned by Nickel Asia and its Japanese partners, Sumitomo and Mitsui & Co.

The attack tested the business and political mettle of Manuel Zamora Jr., the Filipino businessman and occasional political fundraiser who founded and chairs Nickel Asia, now the country's second most valuable mining company. He is one of the country's pioneer nickel miners after being one of the major incorporators of Rio Tuba Mining in 1969 and ranks No. 32 on our list of the Philippines' richest.

Although Nickel Asia owned only 22.5% of the Taganito nickel refinery—Sumitomo Metal Mining owned 62.5% and Mitsui & Co. 15%—Zamora, as the politically savvy local partner, was regarded by many as the de facto guarantor of the refinery's safety. Nickel Asia itself poured almost all of the $100 million of the proceeds of its initial public offering in 2010 into THPAL Nickel, the company that operates the Taganito nickel refinery project.

The project site is near one of the remaining strongholds of the NPA, but the Japanese took comfort in knowing that Zamora's mining companies have been operating in the area since the 1980s. The mining company has been



"To put it simply, we armed ourselves," says Zamora.

TAMMY DAVID

"coexisting with the NPAs for 30 years without any incident," says Zamora.

The raid overturned whatever arrangements were in place that kept Zamora's mining businesses undisturbed by the NPA in Surigao del Norte. To his mind, the communist rebels attacked the refinery as a political statement following the collapse of peace talks between the government and the rebel leadership and increased operations of the Armed Forces of the Philippines in the area. "The NPA chose us because we are the biggest and there was a large construction there. I guess they decided to have a show of force," he says. He rejected speculation that the company had been paying off the rebels and refused to pay up after the guerrillas demanded more protection money.

Zamora insisted the project should go ahead despite the attack. It would be a "disaster" if the raid derailed their plans. His Japanese partners agreed. During a meeting at the Malacanan Palace, the Philippine president's official residence, Nobumasa Kemori, Sumitomo Metal Mining president at that time, assured President Benigno Aquino III that they would still proceed with the refinery. However, he added that another attack would prompt the Tokyo head office to review the project.

In the wake of the attack, Nickel Asia agreed to organize a militia unit called Special Civilian Armed Auxiliary (SCAA) to beef up security for the refinery and mining site in Taganito. SCAAs were introduced by the Philippine Army to augment its undermanned units in protecting remote, economically valuable sites such as mines, timber concessions and plantations from rebel and terrorist attacks. Members of the militia unit are paid by private companies but are armed, trained and supervised by the Philippine Army.

"To put it simply, we armed ourselves," Zamora says matter-of-factly while sipping his espresso at the penthouse of Nickel Asia's headquarters in Bonifacio Global City. He explains that setting up the militia was necessary to assure mine workers and civil works contractors that it was safe to go back. "It's difficult to bring workers to Surigao," he says. Even though Nickel Asia was forced to halt construction work on the refinery for three months, it still had to pay full salaries to some 3,000 workers.



Nickel Asia's mining concession in Surigao del Norte is a major source of nickel ore.

TAMMY DAVID

On Sept. 4, 2013, almost two years after the NPA attacked Nickel Asia's mine, the Taganito nickel refinery was inaugurated, with senior Philippine and Japanese dignitaries in attendance. Zamora and his Japanese partners' determination has paid off. In 2014, the first full year of THPAL Nickel's operations, the Taganito refinery produced 45,619 dry metric tons of nickel-cobalt sulfides, worth $200 million, all exported to Japan.

Nickel Asia posted revenue of over $500 million last year, more than double the year before. Profits rose 316% to just under $200 million, earning a spot on FORBES ASIA's Best Under A Billion list. A significant part of the revenue and profit growth came from its nickel mine and refinery in Taganito.

For a while, investors rewarded Nickel Asia, pushing up its share price, though recent woes of the mining sector have brought it back down. Zamora himself is off 27% in this year's wealth count, at $450 million. The firm's market capitalization still exceeded $1.3 billion in August, the second highest among mining companies listed on the Philippine Stock Exchange, and the gains since 2013 continue to put two other stockholders—Philip Ang and Luis Virata—on our richest list as well.

Good fortune favored the bold. What happened after THPAL Nickel started operations in late 2013 is beyond what the company did or imagined. In January 2014 mineral-rich Indonesia imposed a ban on the export of raw minerals in hopes of stimulating its refining industry. Nickel prices started climbing in the second quarter, peaking at a high $21,625 per metric ton in May. Global attention, including that of China, the world's biggest nickel consumer, turned toward the Philippines. Nickel ores from the Philippines, China's second-biggest source of the metal, are of a lower grade, containing lesser traces of nickel, compared with Indonesia's. But China has a giant appetite for nickel, given its infrastructure and real estate boom. Nickel miners in the Philippines, large and small, increased their output to fill the void left by Indonesia. In 2014 the Philippines accounted for up to 82% of nickel ore imports to China.

Nickel Asia ramped up sales to China, which accounted for 63% of the company's revenue in 2014. Chinese demand was largely behind Nickel Asia's sales of 17.8 million wet metric tons of nickel ore, a 28% increase from the same period the year before. This continued in the first quarter of 2015, when Nickel Asia recorded a 32% increase in ore shipments from a year ago. From January to March shipments of ore to China rose almost fourfold from a year ago.

Zamora was only 28 years old and had no business experience when he entered the mining industry in 1969. He was asked to be president and major incorporator of a small mining company called Rio Tuba Mining by Leonides





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Virata (father of Luis), a longtime executive of the Philippine-American Life & General Insurance Co. Virata had planned to form the company to explore and develop nickel deposits in southern Palawan but was asked by then president Ferdinand Marcos to be his trade secretary in 1969. Geologists had accidentally discovered the deposits while scouting for a possible logging concession near the Rio Tuba river.

Zamora was a Virata family friend who worked at the Program Implementation Agency, an elite economic planning and coordinating unit under the Macapagal administration that would later become the National Economic & Development Authority.

At Rio Tuba Mining, Zamora found his true calling as a businessman rather than as a technocrat. He contributed 60% of the mining company's initial subscribed capital. American copper mining company Calumet & Hecla invested about $800,000 for a 40% stake. Shortly afterward the American company sold its entire stake for $4 million to Rio Tuba's first Japanese partners, Pacific Metals Co. and trading firm Nissho Iwai. The Americans earned a fat profit but would have made more money if they had stayed, Zamora says.

It took Rio Tuba 11 years from the time the ore deposits were discovered to load its first nickel shipment to Japan in 1977. "The mining business requires a great deal of perseverance and deep, deep pockets," he says. "Finding a mine is astronomically difficult. The odds are really against you."

Takanori Fujimura, a Japanese geologist who represents Sumitomo in THPAL Nickel, recalls how remote and malaria-infested Rio Tuba was when he first visited the place in the 1970s. Getting to Rio Tuba from Puerto Princesa, the capital of Palawan, meant an eight-hour land trip, then a four-hour boat ride to a landing along the river. The mine site was another 5-kilometer hike on a muddy trail.

The metal's wild price swings seem to reflect the word's origins. Nickel comes from a Germanic word that refers to a demon, goblin or rascal. The metal takes the prize as the most volatile of all commodities in the past decade. "When prices are high, everybody floods into new projects. Eventually, what was a supply-deficit situation is transformed into a surplus, so prices fall again. My theory is that you go into big investments when prices are low because the project takes about four or five years to finish. The odds are prices will be up by the time the project is complete," he says.

"THE MINING BUSINESS REQUIRES A GREAT DEAL OF PERSEVERENCE AND DEEP POCKETS. FINDING A MINE IS ASTRONOMICALLY DIFFICULT. THE ODDS ARE AGAINST YOU."

That was the case with Coral Bay Nickel, a joint venture between Zamora and Sumitomo that operates the country's first nickel refinery and the first large-scale HPAL facility in the world. It is adjacent to the Rio Tuba mine of the Zamora group in southern Palawan. Construction started in 2002, when prices were low, and was up and running by 2005, around the time nickel prices were on the rebound. "We recovered our capital in Coral Bay in less than one year," beams Zamora. From an investment of $180 million, Coral Bay HPAL was expanded to produce 24,000 tons of processed ore a year.

Zamora enjoys an occasional excursion into politics, the world of his younger brother Ronaldo Zamora, one of the country's longest-serving congressmen and former president Joseph Estrada's executive secretary.

Manuel was Estrada's chief fundraiser when the former movie actor ran for president in 1998. In 2010 he supported businessman-turned-politician Manuel Villar, who lost to Aquino. Another brother, Salvador, who is also a successful businessman, supported Aquino in that presidential contest.

In some circles, Zamora is known as a Marcos crony. "The story was that I was very close to them," he says. He denies any links to the late dictator, adding it was his brother Ronaldo who was close to Marcos. Ronaldo was Marcos' deputy executive secretary for legal affairs in the early 1970s and ran for a seat in the Interim Batasang Pambansa (national parliament) in 1978 as part of a slate headed by Imelda Marcos. When asked if Marcos had any money in Rio Tuba, his denial is emphatic. "No, none at all. No government whatsoever. The deal was straight."

Meantime, the business empire that Zamora has built is transforming with the times. Nickel Asia, born in 2006 as a vehicle for raising additional funds, has brought under one roof most of Zamora's mining businesses in Rio Tuba, Taganito and two other locations. Sumitomo took its relationship with the Zamora group a notch higher by acquiring a stake in Nickel Asia, now at 19%.

Zamora retired from day-to-day management of Nickel Asia in 2008 and handed over the reins to veteran mining executive Gerardo Brimo. "As a publicly listed firm, we need to grow and find new sources of growth," says Brimo. Part of the plan is to diversify beyond nickel. "We're fairly big because we have four nickel mines. But mining is our business; why stick to just nickel? It's logical for us to expand to other metals," says Brimo, Nickel Asia's president.

After decades of surviving in the wild and volatile world of nickel, perhaps the 76-year-old Zamora is yearning for a bit of stability. F

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Prosperity Buys a Mixed Lot

EDITED BY KEREN BLANKFELD

REPORTING BY AMBIKA BEHAL, CAROLINE CHEN, NEERJA PAWHA JETLEY, SEAN KILACHAND, SUZANNE NAM, JESSICA TAN

Blessed with one of Asia's strongest economies in recent years, the Philippines is seeing domestic wealth boosted as a result, even as its resource industries suffer from the same market drag that is hitting the sector throughout the region. The result is a mixed bunch of ups and downs among the nation's 50 richest.



Oscar Lopez

Oscar Lopez (No. 17) reaches billionaire status at age 85 with investments spanning telecom to power distribution. His best known interest is publicly traded ABS-CBN Broadcasting, the oldest TV network in the country. Its stock rose 70% in the past 12 months on higher advertising revenues to reach a growing middle class, as well as lower production costs even as it introduced the Philippines' first digital terrestrial service. Lopez Holdings was among firms cashing in on clean-energy projects in the Philippines.

In raw gain no one measured up to the richest Filipino, **Henry Sy**, who added $1.7 billion with his unmatched retail and finance holdings.

Another newly minted billionaire is **Dean Lao** (No. 16), up 76%. He indirectly tapped the consumer economy as his D&L Industries manufactured aerosol cans, as well as the fats and oils that go into food products like margarine, cocoa butter and ice cream. The group is also a key producer of dry food mixes and biodiesel. Its net income growth of 27% in 2014 led investors to double the stock price.

The media business also played a hand in building up the wealth of the year's only newcomer, "radio king" **Fred Elizalde** (No. 38). His publicly traded Manila Broadcasting Co. houses the nation's oldest and largest radio station. In addition to other media outlets, he has various hospitality properties.

Other media tycoons did not fare as well. GMA Network's three largest stakeholders—**Gilberto Duavit** (No. 45), **Menardo Jimenez** (No. 46) and **Felipe Gozon** (No. 48)—slipped about 15% as the TV entity reported a drop in profits, mostly due to an absence of election-related advertising.

Depressed metal prices account for the year's biggest loser, **Alfredo Ramos** (No. 50), off by 54%. Michael Romero, who'd been mired in a legal feud with his father over control of Harbour Port Centre Terminal, was triumphant in regional court, but his GlobalPort 900 remains delisted, and he failed to qualify this year.

The cutoff for the Philippines 50 fell by $50 million, but we figure the $120 million threshold is still a bit too high for boxer and national hero Manny Pacquiao. He earned a $160 million payday for one (lost) fight against Floyd Mayweather, but after figuring U.S. and Philippine income taxes and considering management fees exceeding 20% on earnings, the remaining income doesn't quite get him into this ring yet.

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1. Henry Sy
$14.4 BILLION ▲

SOURCE: DIVERSIFIED
AGE: 90. MARRIED, 6 CHILDREN

The country's richest man is even richer as the value of his publicly traded conglomerates, **SM Investments** and SM Prime Holdings, have increased by 17% and 20%, respectively, over the past year. The companies announced record income from banking and retail businesses and 2 new mall partnerships in 2014. Its growth plans involve building "microcities" around some of its existing mall properties with the objective to build 15 mixed-use townships by 2020 as part of an estimated $11 billion expansion. Sy also has a stake in privately owned electricity firm National Grid Corp., which supplies power to the entire country. Sy's eldest daughter, Teresita Sy-Coson, has been actively involved in expanding the firm's retail sector and chairs BDO Unibank. Sy got his start at a young age working in his family's convenience store and later opened his first business, a footwear shop.

2. John Gokongwei Jr.
$5.5 BILLION ▲

SOURCE: DIVERSIFIED
AGE: 88. MARRIED, 6 CHILDREN

Started cornstarch plant in 1950s, transformed it into **JG Summit**, with interests in food and beverages, airlines, telecom, property development, banking, retail, hotels and power generation. Stock up 30% thanks largely to revenue growth in petrochemical businesses and earnings from investment in Meralco, country's largest electric power distributor. Brother James chairs JG Summit; John's son Lance is president, daughter Lisa runs Summit Media, whose magazine titles include Forbes licensee FORBES PHILIPPINES, launched 2015.

3. Andrew Tan
$4.5 BILLION ▼

SOURCE: DIVERSIFIED
AGE: 63. MARRIED, 4 CHILDREN

Heads **Alliance Global**, with interests in food and beverage, gaming, hospitality and real estate. Stock price down 11% despite growth in liquor and property income in part due to lower income in resort and casino operations. Owns the McDonald's franchise for the Philippines. In July listed property developer Megaworld announced plans to break ground on 12 new office towers for $440 million. Son of factory worker built his fortune developing large apartment complexes in and around Manila.

▲UP ▼DOWN ◀▶UNCHANGED ★NEW TO LIST ↻RETURNEE

JAY DIRECTO / AFP / GETTY IMAGES

4. Lucio Tan
$4.3 BILLION ▼

SOURCE: DIVERSIFIED
AGE: 81. MARRIED, 6 CHILDREN

Tan's **LT Group** has interests in banking, property development, beverages, spirits and tobacco. Stock price down 3%. Bank suffered from devaluation of Philippine peso; tobacco business still coping with higher cigarette taxes imposed in 2013. Tan also owns stake in Philippine Airlines, country's oldest airline; stock down 10%.

5. Enrique Razon Jr.
$4.1 BILLION ▼

SOURCE: PORTS, CASINOS
AGE: 55. MARRIED, 2 CHILDREN

Chairs **International Container Terminal Services**, nation's largest port operator. Stock took 10% dip over past year amid trade doldrums. In March his hospitality arm, Bloomberry Resorts, announced plans to buy Silmi Island and a casino operator on Jeju Island, South Korea to cash in on Chinese travelers' passion for gambling. Stock plunged 36% over the year due to weakening Chinese yuan.

6. George Ty
$4 BILLION ▲

SOURCE: BANKING
AGE: 82. MARRIED, 5 CHILDREN

Was refused a bank loan to start a business at 19. Difficulties spurred him to start his own bank at 29, with no financial training or experience. Today **Metrobank** is the country's second-largest bank in terms of assets. The serial entrepreneur has gone on to set up power plants, distribute Toyota vehicles, sell insurance, develop real estate and other ventures. Has been consolidating nonfinancial businesses under GT Capital.

7. Aboitiz family
$3.6 BILLION ◀▶

SOURCE: DIVERSIFIED

Family-run business with 19 members of the clan involved in day-to-day operations. Bulk of fortune comes from publicly listed holding company **Aboitiz Equity Ventures**, which got a small boost after the company exited the shipping business last year and thanks to valuable land investments. Conglomerate is in banking, food and beverage, property. Jon Ramon Aboitiz is current chairman.





10. Tony Tan Caktiong
$2.2 BILLION ▲

SOURCE: FAST FOOD
AGE: 62. MARRIED, 3 CHILDREN

From Saudi Arabia to the borough of Queens in New York City, his fast-food restaurants dot the globe. His publicly traded **Jollibee Foods** is the fastest-growing Asian restaurant chain in the world. They sell Filipino, Chinese, American and European recipes adapted to a modern, quick-serve, affordable format. Younger brother Ernesto Tanmantiong is CEO. Tony is charting a new course building community malls in partnership with fellow rich lister Edgar Sia II (No. 34).

8. Jaime Zobel de Ayala & family
$3.5 BILLION ▲

SOURCE: DIVERSIFIED
AGE: 81. MARRIED, 7 CHILDREN

Family's **Ayala Corp.**, which he chaired until retiring in 2006, was founded 181 years ago. Conglomerate booked record $400 million in profits last year, spurring 8% boost in stock price. One of the country's largest conglomerates and holding company for publicly traded Ayala Land, Bank of the Philippine Islands, Globe Telecom, Manila Water. In July Ayala Corp. bought a 50% stake in drugstore chain Generika for an undisclosed sum. His 7 children control more than one-third of company.

9. David Consunji
$3.2 BILLION ▼

SOURCE: CONSTRUCTION
AGE: 93. MARRIED, 8 CHILDREN

Former concrete inspector founded the construction firm **DMCI** in 1954. Now the company gets most of its income from power generation, real estate and infrastructure. Fatal landslide at Panian mine belonging to the country's largest coal miner, listed subsidiary Semirara Mining & Power, buried 9 people alive in July. Stock price is down 25% in the last 12 months. Construction credits include Makati Shangri-la, Manila Hotel and Ayala Tower One. Son Isidro heads DMCI Holding and Semirara.

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11. Lucio & Susan Co
$1.7 BILLION ◀▶

SOURCE: RETAILING
MARRIED, 3 CHILDREN

Husband-and-wife team started with one hypermarket in 1998. Now their **Puregold Price Club** has more than 200 stores, making it country's second-largest retailer, after Henry Sy's (No. 1) SM Group. In July started offering remittance services to customers under the brand Pure Padala. Last September the couple boosted stake in Philippine Bank of Communications to 50%. Other interests span gaming, hotels, wine distribution, property.

12. Robert Coyiuto Jr.
$1.6 BILLION ▼

SOURCE: POWER
AGE: 62. MARRIED

Chairs **Prudential Guarantee & Assurance**, one of largest insurance firms in the Philippines, with over $75 million in net premiums written. Also holds stake in National Grid Corp. of the Philippines, the privately held consortium responsible for the power grid for the entire country. Firm's value has declined due to difficulties in upgrading systems stemming from residents' resistance. Coyiuto is also chairman and owner of PGA Cars, Filipino distributor of luxury brands.

13. Manuel Villar
$1.5 BILLION ▲

SOURCE: REAL ESTATE
AGE: 65. MARRIED, 3 CHILDREN

Former presidential candidate, senator and current president of the Nacionalista Party, Villar's fortune stems from stakes in **Starmalls,** which develops and manages malls, and Vista Land & Lifescapes, a high-end home developer. Wharton-educated son Paolo runs Vista. As a child Manuel helped his mom sell seafood in a Manila market.

14. Yap family
$1.4 BILLION ▼

SOURCE: BANKING

Fortune is shared by heirs of Emilio Yap, who died last year. Largest piece of fortune stems from stake in bank **Philippine Trust Co.** They also own Manila Bulletin Publishing Corp., responsible for the country's second-oldest leading newspaper, the *Manila Bulletin*. Son Basilio Yap was named chairman of *Manila Bulletin*; grandson Emilio Yap III serves as vice chairman.

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15. **Alfredo Yao**
$1.25 BILLION ▲

SOURCE: DIVERSIFIED
AGE: 71. MARRIED, 3 CHILDREN

Ran errands for street vendor mother at age 12. Started out with a printing press to shrink-wrap biscuits and candies. Later his homemade fruit juice, packed in stand-up pouches, became a hit. Today his **Zest-O** brand juices are sold in 44 countries. Now in an aggressive expansion mode: investments span banking, real estate, airlines, food, pharmaceuticals and hospitality.

16. **Dean Lao**
$1.1 BILLION ▲

SOURCE: CHEMICALS
AGE: 56. MARRIED

New billionaire's wealth almost doubled in value over the year. His listed **D&L Industries** specializes in food, plastics and aerosol industries. Announced record income growth of 27% in 2014, mostly thanks to consolidation of new stake in chemical firm Chemrez Technologies. Also enjoyed low crude oil prices, surge in commodities and exports of specialty plastics. Stock up 100%.

17. **Oscar Lopez**
$1 BILLION ▲

SOURCE: MEDIA
AGE: 85. MARRIED, 8 CHILDREN

Chairman emeritus of Lopez Holdings debuts in the billionaire ranks after the stock price rose 30% over past year. Interests lie in banking and power generation and distribution, but the company is best known for its publicly traded **ABS-CBN Broadcasting** subsidiary, which has popped over 70% in last 12 months. Also has controlling stake in First Gen Corp., one of the country's leading renewable energy producers with geothermal, hydro and natural gas plants.

18. **Andrew Gotianun**
$910 MILLION ▼

SOURCE: DIVERSIFIED
AGE: 87. MARRIED, 4 CHILDREN

Founder and chairman of conglomerate **Filinvest Development**, with interests in real estate development, sugar, hospitality, power generation and banking. Subsidiary East West Banking Corp. is the fifth-largest credit card issuer in the Philippines. His Andrew Gotianun Foundation invests in education. Began business with wife Mercedes.

ROLEX DELA PENA / EPA / NEWSCOM

PLACING THEIR BETS

Political **Posturing**


Eduardo Cojuangco

Presidential elections in the Philippines may be a year away, but campaign season is in full throttle as candidates jockey for supporters. In a country where wealth and politics are often interchangeable, speculation on who will run and who's backing whom has been rampant in the local press.

In May came questions about billionaire Manuel Villar (No. 13), president of the Nacionalista Party who ran in 2010 against current President Benigno Aquino III, trying again. He kept silent. Then in July it was reported that Villar formed a coalition with Eduardo Cojuangco (No. 23), leader of another faction, to support a ticket led by Senator Grace Poe. Villar's wife, another senator, went on national TV to knock down the reports and a representative for Cojuangco tells FORBES ASIA the rumors are false.

Meanwhile, the Romualdez family (No. 47) is a name familiar in politics—as in Imelda Romualdez Marcos. Her nephew Martin is a congressman, and several others have held various positions. The clan is split between the newcomer leading the polls, Grace Poe, and the familiar Vice President Jejomar Binay, who has been investigated for corruption, which he's denied.

At this point most businessmen are playing it coy, hedging their bets. The electorate can be fickle—Aquino's once high popularity has plummeted.

"The most important thing we're looking for is continuity of reform," said Peter Angelo Perfecto, executive director of the Makati Business Club, started by Enrique Zobel in 1981 at the peak of the Marcos years. Jaime Augusto Zobel de Ayala (No. 8) is co-vice chairman of the group. and former trustees include Tony Tan Caktiong (No. 10), Alfonso Yuchengko (No. 30) and Raul Concepcion (No. 33). Almost every rich list member's company is represented by the organization today.

Perfecto lists infrastructure building and global competitiveness as other key issues. "We'll give the stronger candidates a platform," is all he will otherwise say. —*K.B.*

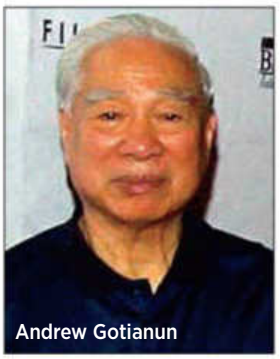
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Next in Line

A passing of the baton from the aging founder has been taking place in some of the largest family-centered Filipino conglomerates. The country has the oldest profile among our dozen Asia rich lists. Families have gone about the transition differently, some enlisting outside professionals, others keeping the business firmly led by the next generation.


Andrew Gotianun

In honor of the Gotianun clan's publicly traded Filinvest Development's 60th anniversary this year, cofounding spouses Andrew and Mercedes (No. 18) reminisced about their bare-knuckled beginnings selling appliances and financing second-hand cars on the ground floor of their rented apartment in Quiapo. The company's interests now span real estate, sugar, utilities and banking, and it boasts a market cap of $850 million. Still the couple must convince investors that their children are prepared to take the reins.

"We feel secure about the future because we know that the company we built is now in the very able hands of the next generation of Gotianuns," they wrote in a special note in the firm's annual report. That generation is being led by their only daughter, 60-year-old Josephine, who joined the family business in 1977. She was named CEO in 2012. According to local press, her father, who remains chairman and involved in various functions, makes a point of referring to her as his "boss" in front of friends.

Sometimes succession comes in roundabout steps. Arthur Ty, one of George Ty's 5 children, stepped down as chairman of GT Capital last year to become co-vice chairman. The company has brought in outside professionals to help the business consolidate. Even so, Arthur, who chairs Metrobank, remains active in GT Capital, as does the entire family.

Perhaps the Sy family can be seen as the model in smooth intergenerational transition. At age 90, Henry Sy, the country's richest man, still is chairman of his retail and property juggernaut SM Prime Holdings. Yet he seems far removed from management. His children each have roles in the family's various businesses and his eldest, Teresita Sy-Coson, is often seen as the heir apparent.

Sy-Coson has been working in the family business for 45 years, helping build it into the retail giant it is today and being credited with turning Banco de Oro from a small player to the country's largest bank. —*K.B.*

19. Betty Ang
$905 MILLION ▲

SOURCE: FOOD
MARRIED

President and founder of food manufacturer **Monde Nissin**, which has grown dramatically over the last 5 years, in recent months scooping up Australian firms such as Menora Foods and Black Swan. New product offerings complement their famous Lucky Me! brand of instant noodles and Nissin and M.Y. San Biscuits. Monde Nissin was first firm in country to sell pouches of dry noodles to make instant soup; now it boasts a more than 60% share in the market and more than 30% of the biscuit sector.

20. Roberto Ongpin
$900 MILLION ▲

SOURCE: DIVERSIFIED
AGE: 78. MARRIED, 4 CHILDREN

High-profile controversial tycoon settled long-standing dispute last June with U.K. fund Ashmore, partner of 9 years in property developer **Alphaland**. The deal, brokered by nephew Eric Recto (No. 40), slashed his debt and sent his net worth soaring.

21. Inigo & Mercedes Zobel
$870 MILLION ▼

SOURCE: DIVERSIFIED

Brother and sister inherited fortune from wealthy aunt. Stake in **Ayala Corp.**, the family's publicly traded conglomerate, includes interests in education, real estate, finance, telecom, health care and utilities. Stake in food, beverage and packaging company San Miguel suffered a nearly 30% drop in the last year as a result of the weaker Philippine peso inflating the company's cost of debt.

22. Vivian Que Azcona
$780 MILLION ▼

SOURCE: RETAILING

President of drugstore giant **Mercury Drug**, the largest drugstore chain in the country, which opened its 1,000th location in March and employs more than 11,000 people. A market pioneer: the first drugstore to add drive-thru pharmacies (in 2012) recently added convenience stores to various drugstores, expanding into retail services. Vivian's father, Mariano Que, started the firm from a pushcart in Manila before opening the first locale in 1945.

PHILIPPINE DAILY INQUIRER



23. Eduardo Cojuangco
$770 MILLION ▼

SOURCE: DIVERSIFIED
AGE 80. MARRIED, 4 CHILDREN

Politician-diplomat-businessman who once ran for president sold his stake in brewer **San Miguel** to Ramon Ang (No. 29) in 2012 but remains chairman with an imposing shadow. Has since bought a new stash of preferred shares thanks to a fresh capital pool. His privately held Northern Cement is piggybacking on the country's infrastructure boom, but San Miguel saw its market value drop over the last year amid high debt.

24. Beatrice Campos
$740 MILLION ▼

SOURCE: PHARMACEUTICAL
WIDOWED, 5 CHILDREN

Cofounder of privately held drugmaker **Unilab** with late husband Jose Campos. Also holds a stake in food and beverage business Del Monte Pacific, which has dropped some 30% in value over the last year amid lingering costs from its 2013 acquisition of U.S.-based Del Monte Foods.

26. Jorge Araneta
$560 MILLION ▲

SOURCE: REAL ESTATE
MARRIED

Chairs **Araneta Group,** which he and siblings inherited from late father, J. Amado. Runs group together with sister Judy A. Roxas as vice chairperson. Family owns Araneta Complex, famous for its mixed-development and sports arena in Metro Manila. President Benigno Aquino III was the guest of honor at last year's group 60th anniversary and the inauguration of Gateway Tower, the latest addition to its office space.

27. Carlos Chan
$550 MILLION ◀▶

SOURCE: FOOD
AGE: 74. 6 CHILDREN

Early believer in China leased a state-run food factory in 1993, sent sons to run operations. Today **Oishi** is an iconic brand in China and the Philippines. The privately held firm has 27 factories making prawn crackers, potato chips and candy in China, Vietnam, Thailand, Indonesia, India, Cambodia and Myanmar. Plans to add a dairy farm and business hotels.

28. Mariano Tan Jr.
$520 MILLION ▲

SOURCE: PHARMACEUTICALS
AGE: 53

Transformed family's corner drugstore into pan-Asian maker of affordable drugs under **Unilab** banner. Country's biggest prescription and health care products company has diversified into developing residential communities.

29. Ramon Ang
$510 MILLION ▲

SOURCE: DIVERSIFIED
AGE: 61. MARRIED, 8 CHILDREN

San Miguel president's aggressive growth path for conglomerate includes expansions in oil refinery, power plants, toll roads and highways. Private bid for stake in media company GMA Network broke down in June. Passionate car collector and drag racer, started buying used truck engines at age 13, progressed to motorcycles in high school, graduated to cars in college. Recent purchase: 19 cars inspired by the *Great Gatsby* era. Net worth up on new information regarding private assets.

30. Alfonso Yuchengco
$500 MILLION ▼

SOURCE: DIVERSIFIED
AGE: 92. WIDOWED, 8 CHILDREN

Former ambassador to Japan, his flagship **Rizal Commercial Banking** among biggest in country. Stock slid 25% due to low-interest, competitive environment. Daughter Helen, heir apparent, runs business. Other interests: insurance, health care, construction and information technology. Chairs an engineering school and a clutch of technical colleges.

31. Bienvenido Tantoco Sr.
$480 MILLION ▲

SOURCE: RETAILING
AGE: 94. WIDOWED, 6 CHILDREN

Patriarch of family-controlled **Rustan's**, upscale retailer he cofounded with late wife Gliceria. Wealth surged after taking public specialty store arm SSI Group in November. Daughter Zenaida chairs and heads the newly listed entity, while her son Anthony Huang runs it.

25. Ricardo Po Sr.
$640 MILLION ▼

SOURCE: CANNED FOOD
AGE: 84. MARRIED, 4 CHILDREN

Born in poverty in Guangzhou, Po moved to the Philippines with his mother at age 15. Went on to create advertising firm Cathay Promotions; lost bulk of fortune in 1973 stock market crash. Got into processed-food industry at age 47 with $100,000 loan from golf buddy; founded **Century Canning** in 1978. Now company has 87% share of country's tuna market, also sells canned sardines, meat products, powdered milk. Fortune fell after family pared stake in company to open up to larger public investor base. Po began CPG-RSPo Foundation in 2010 to improve nutrition and alleviate children's hunger. Po oversees operations but all 4 sons are involved. Son Christopher is CEO. Family also has stake in property developer Arthaland and Japanese fast-food outlet Yoshinoya.



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32. **Manuel Zamora**
$450 MILLION ▼

SOURCE: MINING
AGE: 75. MARRIED, 5 CHILDREN

Chairman and founder of largest nickel company in the country, **Nickel Asia**. The firm, and as a result his fortune, have suffered losses in the last year as nickel prices have dropped, hitting 6-year low in August, due to a weaker Chinese economy. Stock down 30% in last 12 months. *(See story, p. 50.)*

33. **Concepcion family**
$400 MILLION ▲

SOURCE: DIVERSIFIED

Family transformed air-conditioner distribution business **Concepcion Industrial** into diversified group. Has 2 listed companies for industrial and foods; each has established ties with global giants: Unilever for ice cream, Otis for elevators.

35. **Frederick Dy**
$310 MILLION ◀▶

SOURCE: BANKING
AGE: 60. MARRIED, 3 CHILDREN

Chairs **Security Bank**, nation's seventh largest by assets. Posted 43% net income growth. Bank was founded in 1951; Dy and partners took majority ownership in 1991, launched IPO in 1995.

36. **Jacinto Ng**
$275 MILLION ▲

SOURCE: DIVERSIFIED
MARRIED, 4 CHILDREN

From tiny biscuit factory in 1963 he created Rebisco, global brand of ready-to-eat packaged foods. Owns stake in **Asia United Bank**, one of country's largest listed commercial banks. Also develops lower and middle income suburban housing to capitalize on robust remittance of overseas Filipino workers.

37. **Tomas Alcantara**
$270 MILLION ▲

SOURCE: DIVERSIFIED
AGE: 69. SINGLE

His **Alsons Consolidated Resources** among country's largest diesel and coal power generators. Now betting on solar and hydroelectric power. Bought partner Australia's Indophil Resources 2014. Also develops golf courses and residential estates.

38. **Fred Elizalde**
$260 MILLION ★

SOURCE: MEDIA
AGE: 74. MARRIED

Nicknamed "radio king" of the Philippines, Elizalde chairs publicly traded **Manila Broadcasting Co.**, country's oldest and largest radio station network, founded 1939. With family, owns more than 70% of company. MBC's interests span a TV news channel, 5 regional channels, theme park, hotels, restaurants and retail malls. Elizalde, who sculpts and paints, is married to ballerina Lisa Macuja.

39. **Wilfred Steven Uytengsu Jr.**
$255 MILLION ◀▶

SOURCE: MILK
AGE: 53. MARRIED, 3 CHILDREN

Runs **Alaska Milk Corp.**, known for canned liquid and evaporated, sweetened condensed milk, founded by his father in 1972. In 2012 sold it to Dutch dairy giant Royal Friesland Campina. Now guiding company to export products like nondairy creamers. Keen sportsman, organizes triathlons.

40. **Eric Recto**
$240 MILLION ▲

SOURCE: DIVERSIFIED
AGE: 52

Nephew of tycoon Roberto Ongpin (No. 20) has benefited from uncle's split with U.K. partner Ashmore Fund. Through a settlement, Ashmore formed new property company **Bedfordbury** to house the spun-off assets, with Recto as its local partner. The move gives Recto a 60% stake of the new company. He continues to steer Philippine Bank of Communications, and IT and telecom company ISM Communications.

41. **Philip Ang**
$230 MILLION ▼

SOURCE: MINING
AGE: 74. MARRIED

Wealth of U.S.-educated and media-shy tycoon dented by weak nickel prices, as fortune comes from his stake in **Nickel Asia**, the country's largest nickel producer, where he is vice chairman**.** Earned his M.B.A. at the University of Denver; began his career in textiles.

34. **Edgar Sia II**
$390 MILLION ◀▶

SOURCE: FAST FOOD
AGE: 38. MARRIED, 2 CHILDREN

Aspiring architect dropped out of college to start **Mang Inasal**, which today has around 500 outlets selling Filipino recipes adapted to a fast-food, Western format. Partner Tony Tan Caktiong (No. 10) has a 70% stake in the venture.



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48. Felipe Gozon
$155 MILLION ▼

SOURCE: MEDIA
AGE: 75. MARRIED, 3 CHILDREN

Chairs and runs **GMA Network**, one of nation's most influential media networks. In June he and the 2 largest shareholders, Gilberto Duavit (No. 45) and Menardo Jimenez (No. 46), ended talks with San Miguel president Ramon Ang (No. 29) on Ang's plan to purchase a minority stake in the company. Share price lost 12% of its value. Group cited lack of election-related advertising for lackluster profits.

42. Luis Virata
$225 MILLION ▼

SOURCE: MINING
AGE: 61. MARRIED, 3 CHILDREN

Chairman of investment bank CLSA-Exchange Capital gets bulk of wealth from family-held stake in **Nickel Asia**, which reported decline in income because of weak metal prices. Also heads Cavitex Holdings, which operates toll roads.

43. Jose Antonio
$220 MILLION ▼

SOURCE: REAL ESTATE
AGE: 68, MARRIED, 4 CHILDREN

His real estate company **Century Properties** stands out for its branded iconic buildings in collaboration with fashion names like Armani, Hermès, Versace and Missoni. Stock down 26%. On his roster are architects, designers and celebrities lending panache to target high-end market. Diversifying into hotels, retail and commercial ventures.

44. P.J. Lhuillier
$175 MILLION ▼

SOURCE: PAWNSHOPS
AGE: 70. MARRIED, 7 CHILDREN

Former ambassador to Italy, current ambassador to Portugal expanded family's single pawnshop into diversified network of bank, insurance and money remittance outlets known as **Cebuana Lhuillier**. Partnered with U.S. online giants like MoneyGram and Xoom. New mobile money services and loyalty programs have added 5 million to its expanding customer base. *(Also involved in education; see p. 80.)*

45. Gilberto Duavit
$170 MILLION ▼

SOURCE: MEDIA
AGE: 80. MARRIED, 4 CHILDREN

Former congressman controls media group **GMA Network** with Menardo Jimenez (No. 46) and Felipe Gozon (No. 48). Son Gilberto Jr. is president of network.

46. Menardo Jimenez
$165 MILLION ▼

SOURCE: MEDIA
AGE: 83. MARRIED, 4 CHILDREN

Large shareholder of media group **GMA Network**, together with brother-in-law Gilberto Duavit (No. 45) and Felipe Gozon (No. 48). His 30% stake in the company is held under son Joel, vice chairman of GMA Holdings. Has also chaired United Coconut Planters Bank since 2011; sits on the board of Coffee Bean & Tea Leaf Philippines.

47. Juliette Romualdez
$160 MILLION ▼

SOURCE: BANKING
WIDOWED, 4 CHILDREN

Widow of Benjamin "Kokoy" Romualdez, Imelda Marcos' younger brother. Holds a small stake in the country's oldest mining firm **Benguet**. Majority of her fortune stems from sale of minority stake in Banco de Oro, a group of foreign funds, in 2013. Son Benjamin is Benguet's CEO, while son Daniel is chairman. Third son Martin, a congressman, says "part of the family legacy is in public service."

49. Walter Brown
$140 MILLION ▼

SOURCE: MINING
AGE: 76. MARRIED

Trained geologist and geochemist started trading chemicals, crude oil and petroleum products in 1966 on a wholesale and retail basis. His mining and quarry, palm oil cultivation, power plants and real estate operations are now consolidated under **A Brown Co**. The stock has plunged some 51% in the past 12 months due to a drop in profitability. He is expanding his company's portfolio of gated communities. Wife, Annabelle, sits on the board.

50. Alfredo Ramos
$120 MILLION ▼

SOURCE: DIVERSIFIED
AGE: 71. MARRIED, 3 CHILDREN

Owns one of the country's largest copper and nickel mines. Recently handed over reins of flagship publicly listed mining and exploration company **Atlas Consolidated** to his son Adrian. Will continue to chair its subsidiary Carmen Copper. Depressed metal prices led to 70% drop in share price over past 12 months, wiping out more than half of his fortune. Also runs privately held National Book Store started by his parents.

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Alterations

As the Zhou family's apparel business has shrunk, their diversification into real estate has picked up the slack.

BY RUSSELL FLANNERY

Back in 2004, when Zhou Haijiang took over as president of family-led Jiangsu Hongdou Industrial, the company was one of China's largest apparel manufacturers, built up largely by his father. Its customers included George Foreman, Sears, J.C. Penney and H&M. One year later Zhou made the cover of FORBES' global edition with the headline, "In Search of China's Apparel Fortune." Quotas were ending after China joined the World Trade Organization, opening up new opportunities for the country's textile and apparel industries.

The Zhou clan has gone on to become rich—father Yaoting debuted on the FORBES Billionaires List this year with an estimated fortune of $1.05 billion. Yet much has changed at Hongdou in the past decade. "I didn't think that costs would increase so quickly," said Zhou, 49, in a recent interview. Higher wages, more expensive U.S. dollar pricing as a result of China's currency appreciation and the rise of e-commerce have altered China's textile and apparel landscape.

Hongdou outsources 80% of its own apparel, and though the recent depreciation of the renminbi will help exporters in the short term, it isn't going to reverse the underlying pressure facing the industry, Zhou tells FORBES ASIA. And at home in China's own apparel market, one important thing hasn't changed: When it comes to pricey threads, many shoppers still prefer foreign brands to local ones, making it difficult for traditional names such as Hongdou and Younger Group.

So how has the entrepreneurial family gained so much financially? In part it's diversification. Apparel is still important, but real estate sales accounted for half of revenue at Zhou's listed company in the first six months of this year. Property sales climbed by 28% to $88 million. Overall, Hongdou chalked up a 27% increase in net profit in the first six months. Hongdou now owns one of the tallest towers in the eastern Chinese city of Wuxi, where it is headquartered—the 48-story Hongdou International Plaza. It has several other commercial and residential projects in Wuxi, Nanjing and Zhenjiang in Jiangsu Province.



China's apparel business was wide open when Zhou was on our cover ten years ago.

Hongdou is on the lookout for new business overseas and at home. Hongdou Group, the Zhou family's unlisted holding company, invested $49 million this year in a joint venture with a Shenzhen research arm of China's prestigious Tsinghua University—Shenzhen Leaguer Venture Capital—in search of new technology. And it is looking into a listing for a tire-manufacturing subsidiary, Jiangsu General Science Technology.

Like the whole China stock market, Hongdou Industrial's shares have been volatile. As of Aug. 19 they were up more than 150% from a year ago. But at a price of 13.45 yuan, they had tumbled from their 12-month high of 22.90 yuan. The stock is still richly valued at more than 100 times its likely 2015 earnings.

Hongdou was founded in 1957 by Zhou's grandfather as a cotton-processing operation with three employees. Months later local officials forced him to merge with two other businesses into what was in effect a government-controlled collective. Over time the family bought back government shares. Zhou's wife, Liu Lianhong, is chairman of the listed company. Zhou's brother Minghong and cousin Hongjiang are on its board of directors. Combined with their unlisted holding company, the Zhou clan employs more than 20,000 people.

China's textile and apparel business isn't likely to match its earlier rapid growth anytime soon. Part of the reason it will be difficult to repeat that earlier feat, Zhou says, is that many developing countries that once imported higher-end clothing and suits are now producing apparel and textiles themselves.The expectation of stronger competition abroad led to Zhou's investment in an industrial park in Cambodia to tap into that country's relatively low-cost labor.

With each generation, the Zhous seem to find ways to thrive anew.





Heroes of Philanthropy

A New Hangout For Hawkers

Jakarta's National Monument Park needed a makeover, and Sukowati Sosrodjojo figured he was right for the job. The food executive spent three years and $2 million, but there are still a few skeptics.

BY JEFFREY HUTTON







Sukowati (above) used his own money to refurbish Lenggang Jakarta Park, where (from left) vendors Slamet, Punimah and Syarif sell tourist trinkets and T-shirts in a clean, safe environment.

On a recent weekday evening Sukowati Sosrodjojo surveys the gathering dinner crowd. Filtering in from the government and corporate offices downtown, they make their way to his $2 million labor of love: Lenggang Jakarta—an array of new hawker stands three years in the making.

Nestled in a leafy corner of the 75-hectare National Monument Park—known as "Monas"—the green space is a welcome respite from Jakarta's calamitous traffic and woeful lack of amenities. "When people are suffocated all day by traffic and noise out there, they come in here looking bewildered," says Sosrodjojo, who is better known as "Suko" and is the president-director of food-and-beverage company Rekso International. "They wonder, 'What's the catch?'"

It's hard to overstate the importance of Monas—five times the size of Tiananmen Square in Beijing and featuring a central spire crowned with a defiant tongue of fire that symbolizes the unity of a vast archipelago. Imagine plunking the Statue of Liberty down in the middle of New York's Central Park and you get a sense of its place in the minds of Indonesians.

Even so, Monas had a seedy reputation. At night it was something of a no-man's land, its dark corners havens for the amorous. But more seriously, both gangs and the police took turns roughing up the vendors operating out of their quaint-looking *kaki lima* stands, which are part barbecue, part cooler and cabinet on two spoked wheels. And visiting any of the 300 or so food stalls was a gamble of sorts. The usual, if limited, array of comfort food dominated: greasy plates of fried noodles or fried chicken or fried rice. Hygiene and food safety were common casualties.

That was then. Three years ago, hot on the heels of Joko Widodo's surprise victory in 2012 to become the capital's governor, Sukowati met with the man who would go on to become Indonesia's president last year. The pitch? Let me turn Monas into a clean, safe place the common guy can enjoy. And let me pay for it. What was the catch? There wasn't one, says Sukowati.

The idea struck a chord with Widodo, who is better known as "Jokowi." A one-time mayor of Surakarta, in the middle of the teeming main island of Java, he rose to prominence in part by reorganizing street vendors in his hometown in much the way Sukowati proposed: setting aside lots away from busy streets, with shelter and running water. "I'm not making a cent from this," says Sukowati, between generous helpings of some of the fare from the new food stalls. "Business can be

AHMAD ZAMRONI / FORBES INDONESIA (RIGHT); MUHAMMAD FADLI / ARKA PROJECT FOR FORBES (3)



"Business can be a bridge between the government and the people. Business has a role in carrying out public policy," says Sukowati.

a bridge between government and the people. Business usually says to government, 'Tell me what the regulations are and I'll follow them.' Business has a role in carrying out public policy."

Sukowati, 42, hails from a leading family of Indonesian business. His grandfather began selling tea in the 1940s, and his father, Soegiharto Sosrodjojo, started Rekso in the 1950s. Its Sinar Sosro subsidiary makes the country's most popular beverage—the ubiquitous Teh Botol Sosro, a sweet jasmine tea that comes in curvy glass bottles and outsells Coke. It also holds a 10% stake in the country's master franchisee for McDonald's restaurants.

The aim for Lenggang Jakarta was to impart a bit of business acumen and culinary skills to the 339 food vendors and souvenir stalls that eventually agreed to participate in the endeavor. Over three months the merchants were put through a sort of small-business boot camp, which taught a marginalized and at times oppressed group how to keep books, how to shop for supplies, even basic numeracy. Some 15% of the participants were functionally illiterate, Sukowati found.

Food vendors were coaxed away from the tried and true dishes that they were used to preparing but differed little from elsewhere. Hygiene and safety standards were also a priority. With little access to fresh water and no accommodation other than their shop, some participants would go days without bathing, says Mei Batubara, who oversaw training and menu preparation at Lenggang Jakarta. "It was a long hard road," she recalls. "We thought that 40% would drop out. But many of the vendors were happy to get instruction. Most of them didn't even know how to cook. They just assembled the foods at the stall that were made for them. Now they have skills."

Opened in May by the current governor, Basuki "Ahok" Tjahaja Purnama, the food court is an intimate space that goes some way to living up to its name. Lenggang Jakarta is the title of an upbeat tune from the 1980s that roughly translates as "strolling through Jakarta," in which the capital is depicted as a place of easy riches and romance. A sizable collection of stalls measuring roughly 4 feet by 4 feet winds its way through trees and open sitting areas. Steel chairs and tables the color of burned mandarin oranges offset the bluish-gray steel joists that rise up from a poured concrete base to hold up a sturdy and architecturally appealing roof that will keep at bay the blistering sun and ferocious rains. Fans add to the breezy interior. Free Wi-Fi keeps younger patrons focused

MUHAMMAD FADLI / ARKA PROJECT FOR FORBES



on their mobile phones and tablets. Two pagoda-style open-air buildings furnished to resemble typical homes of the local Betawi people host yoga lessons twice a week as well as storytelling and arts and crafts for children. "This had to be a place where regular people could come and feel comfortable," says Sukowati.

For the observant a spacious prayer room festooned with carpets is situated far from the washrooms, in contrast with many similar spaces in shopping malls that are often relegated to out-of-the way, unpleasant places. "In all of my stand-alone McDonald's restaurants you will find that *musholla* never have to share space with toilets," says Sukowati, using the local term for prayer rooms. "People need to have their faith treated with respect or they won't feel welcome." As for himself, he had a Roman Catholic upbringing.

Public space in Jakarta is in woefully short supply. Setting aside more green space has been a long-held ambition of city planners, but it's often been sacrificed for shopping malls. Only 9% of the city of 10 million people has usable parks, versus targets of upwards of 30%. Even sidewalks get short shrift and are nothing more than obstacle courses of uneven bricks and gaping holes into sewers alongside locust swarms of scooters.

Even so, the project is taking a while to catch on with the public. Revenue still doesn't cover the cost of electricity and other utilities, says Batubara. To make up the shortfall she's booking events and film crews to use the wide-open space. Corporate sponsors keen to burnish their local credibility also kick in.

One problem may be that all transactions are cashless through prepaid cards to ensure that the city gets its 20% cut of the action. Some vendors say the prepaid card system is a turnoff for many who are used to using cash. Sri Purbaningsih of Surabaya, who sells traditional rawon beef soup and rice, says many would-be buyers cancel their purchases when they are told they have to buy a card, because they don't want the hassle. "A lot of customers are just lazy with the new system," she says.

Mintarsih, who uses one name, says her sales of clothes and other souvenirs are falling short of what they were at the park before she opened her new shop at Lenggang Jakarta. "It's certainly a well-arranged place. It's cozy and concentrated in one area," she says on a recent weekday afternoon. Take-home pay on a Sunday afternoon now is half of the roughly $70 she would make on a busy Sunday afternoon before the renovation. Higher prices mandated by the governing body may be scaring off shoppers. It may take time for visitors to get over the sticker shock, says Mintarsih. "Sometimes that's what business looks like."

Still, signs are that Jakarta's newest and perhaps only tourist attraction to open in recent years may soon become popular. Suyono, from West Jakarta and a regular at Monas, was impressed with the upgrade. "Wow, yeah, it's comfortable and orderly," he says. "In Jakarta rarely is there a place like this. Even for families it's fun."

Eva Juniar, a self-employed businesswoman who lives nearby in Tanah Abang, was similarly upbeat. "It's cool to even sit here and hang out on weekends. It's so neat and clean."

Competing food hawkers outside Monas, who claim they were evicted from the park, take a dimmer view of the new setup. Saying they resented the competition, they attacked the food stalls in June with bricks and rocks. Hundreds of disgruntled kaki lima vendors—which Lenggang Jakarta did away with under the new regime—set fire to a police tent. No one was seriously hurt, but the attack came as a shock, says Batubara.

Governor Ahok vowed to increase the number of police at the site, arming them with Tasers and pepper spray. In defiance of the thugs business resumed the next day, says Batubara. "The government is behind us," Sukowati says. "We're confident we can press on."

The attack goes some way to show how far the vendors have come by resettling in their new digs. Many before were vulnerable to the feckless thugs, and police would shake them down for money. Gangs demanding protection money could take upwards of 10% of a day's earnings. "Even after they signed the contracts, [the vendors] would ask, 'Will there be any more charges in the future?'" says Batubara. "I had to tell them time and again, 'No. That's it. You have a contract.'"

So for Mintarsih, it's not surprising that Lenggan Jakarta is a chance for a more secure and settled life. "It would be bad when the police caught us. Yes, there are a lot of rules now, but, honestly? I like them. Right now I've got my head above water. I'm thankful."

Heroes of Philanthropy

Thinking Regionally

To get Asia's givers to collaborate across borders, Singapore's Laurence Lien is working to draw noteworthy philanthropists into his circle.

BY JANE A. PETERSON

Singapore scion Laurence Lien—cofounder of the new Asia Philanthropy Circle—wears the term "radical philanthropist" well. At age 45 this grandson of a banking tycoon is determined to change the face of Asian giving, taking it from an individual endeavor to a vibrant collaborative movement that spans the region. "For Asia this is the right time," he says, noting that Asia's myriad ills often stem from poverty and poor governance. "Wealth has now passed to the second generation and, rather than checkbook giving, this generation wants to be more strategic, but we are struggling."

His solution is APC, envisioned as a place for peers to exchange views, a receptacle of collective insight and a vehicle for coordinated action—devoid of commercial interests. "It sounds like a no-brainer," emphasizes Lien, "but everyone thinks their problems and their approaches to solving them are unique. They assume the differences are too difficult to make collaboration work. They are not."

Case in point: donors' futile building of toilets in poor rural areas—projects that continue to fail if they are not supplemented with proper community training to overturn ingrained habits. If donors would share such experiences, he says, they could eliminate waste and multiply the impact.

To kick-start collaboration in the region and harness "collective intelligence," Lien and Mathias Terheggen, APC's chief operating officer, have been criss-crossing Asia since January, looking for prospective APC members—like-minded philanthropists who regularly give to various causes. "We are looking for the outliers," says Lien, "those collaborators who have the right mind-set."

"Asia is missing a coordinated voice for philanthropy," notes Terheggen.



Lien and his son visiting a village in China in 2013 as part of a project to provide drinking water.





"The social teachings of the Church are a guiding light to me," says Lien.

"There's no Bill Gates to form public opinion. Innovation in Asia is often a Western model copy-pasted into the region."

Still, in the philanthropy universe the voice of Laurence Lien carries weight. The Lien Foundation in Singapore, which he has chaired since 2009, disburses some $9 million annually to three main causes: elder care and early childhood education in Singapore, as well as water and sanitation throughout the region. His late grandfather Lien Ying Chow launched the foundation in 1980 with nearly half his wealth from Overseas Union Bank, which he founded in 1947. It's known for transparency and innovative projects that the Singapore government often builds on. "We must do what governments are less good at doing," stresses Lien, who made the 2010 Heroes of Philanthropy list. "Try new things. Take a long-term view. Pool risks. Share successes and failures with the world." Then, he predicts, governments will pick the winning models and take them forward.

APC is the brainchild of Lien and cofounder Stanley Tan, chief executive of Global Yellow Pages, who spent six years together leading Singapore's National Volunteer & Philanthropy Centre, one of the few intermediaries in Asia that promote giving. Both men felt the time was ripe for collaborating on a pan-Asian scale to solve complex regional problems. "We realized that the existing nonprofit infrastructure is fairly poor," observes Lien. "There is also a lack of trust in charities. In many Asian countries there's a cynicism about philanthropy. The public thinks it's all p.r. and marketing—people getting something out of it. A bit more transparency would help."

So far the pair have signed up 19 paying members. Annual dues will fund an APC secretariat to support members, develop strategies and generally "connect the dots" and "lubricate the links" of collaboration.

Lien appears pleased. The number is just shy of the first-year goal of 20, and nearly a fifth of the way to a five-year target—and group limit—of 100. "We hope members will be role models," he says, "willing to come to our meetings with openness and humility."

Later this month he will host APC's first meeting, at the Singapore family villa of his grandfather. On the agenda: building community and discussing what projects members want to pursue—and how much funding they are willing to contribute. As APC expands, he envisions subgroups organized by country, issue and approach.

Lien hopes APC members will work together on a range of interests, including education, entrepreneurship, the arts and culture. He wants ideas to "pollinate" across borders, with donors developing best practices. He also wants follow-up, with the impact of projects properly measured.

Early APC entrants, in roughly equal numbers, hail from Singapore, Indonesia and China/Hong Kong, while one member comes from the Philippines and another from Malaysia. They include Indonesian philanthropist Cherie Nursalim (a Hero of Philanthropy in 2009), who is on the APC board. Other names are private.

Though Lien foresees members coming from 22 countries, he acknowledges that his search in South Korea and Japan, where philanthropy is largely corporate, may be more difficult. He also acknowledges that Asian philanthropists are far from matching their American counterparts in terms of giving levels. "Hopefully we can develop an Asian style of philanthropy and also be a model for the West in collaborative giving," he says.

Lien is well versed in taking a contrarian point of view. FORBES ASIA estimates his extended family's wealth at $1.35 billion, but he lives the lifestyle of a common man, driving his nine-year-old Honda Civic Hybrid to the small APC office in the no-frills Tanglin International Centre, a hub for international nonprofits that Singapore established in 2010. "I have no problems working anywhere," he explains, noting his life philosophy is faith-driven. "Growing up, I was fairly insulated from the trappings of wealth. The social teachings of the [Catholic] Church are a guiding light for me."

Wedged between his intern and his COO, Lien works from a simple desk with a phone, computer and 12 neatly placed boxes of name cards. "I have different boxes for different countries," he explains. "Certainly, the warmer the lead, the higher up in the stack they go."

By December Lien expects to clock 20 road trips on behalf of APC. When asked whether he's having fun, he responds, "Absolutely. It's fascinating on every front." F

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Heroes of Philanthropy

Making Their Mark

Helping disaster victims, endowing universities, preserving the culture of an ancient people—these 40 business and civic leaders set a long-lasting example.

This is our ninth annual philanthropy issue, giving us another opportunity to single out the region's most noteworthy givers. The list features philanthropists who made news with their donations in the past year, but it also recognizes people who have compiled a long record of supporting worthy causes.

As with every year, some of our honorees are billionaires who have built wealthy foundations, launched big projects and are now coming to terms with their legacy. Others are less well-known businesspeople who are also making a mark with their generosity. And some are celebrities—this time we have a basketball star and a boxer—who use their star power to promote their causes. This year a philanthropist from Nepal makes the list for the first time *(see p. 83)*.

This isn't a list of the biggest givers in Asia-Pacific—the figures would be impossible to collect. And we try to identify a new group each year, though a few people here are returning to the list because of an important contribution or project announced over the past year. The goal is to pick only true philanthropists—people who are giving their own money, not their company's (unless they own most of the company), because donating shareholder funds isn't exactly philanthropy. By calling attention to these charitable souls and their labors of love, we hope to encourage more giving.

REMINDING CHINA OF ITS ROOTS

Cao Dewang 69

FOUNDER & CHAIRMAN, FUYAO GLASS

Cao grew up playing with the neighborhood kids on the grounds of a small temple under lush trees in Fuqing city, Fujian Province. Now he has transformed the site into a vast center of education and religion that boasts Buddhist and Taoist temples and a redbrick high school.

A gold-plated Buddha sits next door to a giant statue of Confucius with open arms to greet schoolkids. Cao donated $75 million for the construction and operation of the complex while also planning the design and supervising the work. "This is an example I wanted to set as a businessman, to show the public that success needs to come with a value system," says the billionaire head of China's largest automotive glass maker. He's appealing to a deep-rooted but increasingly forgotten theme in Chinese culture, that Chinese civilization was shaped by three guiding lights: Buddhism, Confucianism and Taoism.

Cao is a prodigious giver, doling out nearly $1 billion over the years. In 2011 he launched his Heren Foundation with a donation of 300 million Fuyao shares, then equal to a 15% stake. Its stake is now worth $625 million and yielded $35 million in dividends this year. In 2010 he earmarked $30 million for victims of a drought in 5 southwestern provinces and dispersed the aid in an unusually transparent way: Nearly 100,000 farmers in 5,000 villages got help and each grant was recorded individually, with receipt documented, acknowledged and made public. *—Shu-Ching Jean Chen*



DAVID HARTUNG FOR FORBES





AUSTRALIA

Len Ainsworth 92

FOUNDER & CHAIRMAN, AINSWORTH GAME TECHNOLOGY

Has donated $30 million to hospitals, universities and other causes over the past 3 years, including $4 million in February to Sydney's St. Vincent's Private Hospital redevelopment, $9 million last year to the University of NSW's new engineering building and $5 million in 2013 to the Sydney Children's Hospital. His wife, Margarete, has separately donated $10 million to mental health research. In 2012 the gambling-machine billionaire said he would bequeath more than half his fortune to charity.

Michael Buxton 70

COFOUNDER, MAB CORP.

Last December donated his $8.5 million contemporary art collection to the University of Melbourne, plus $13.5 million to build a gallery to house it. Collected over 20 years, the more than 300 works include


Michael Buxton

pieces by most of Australia's top contemporary artists. The prominent Melbourne property developer started MAB 20 years ago with brother Andrew; previously helped found Becton, one of Melbourne's biggest developers in the 1980s.

Barry Lambert 68

CHAIRMAN, COUNTPLUS AND CLASS SUPER

Donated $26 million to the University of Sydney in June to fund medicinal cannabis research to treat conditions such as cancer, chronic pain, childhood epilepsy and dementia. Granddaughter Katelyn has Dravet syndrome and suffered hundreds of seizures a day until cannabis oil dramatically improved her condition. Ex-banker founded financial-planning group Count Financial in 1980; sold it in 2011 for $380 million. Now chairs listed professional-services group CountPlus and financial software company Class Super.

CHINA

Jack Ma 50

FOUNDER & EXECUTIVE CHAIRMAN, ALIBABA

Donated $2.9 billion in share options last year to social welfare causes and education. One recipient: Hangzhou Teachers University, where he's an alumnus. Also established the Alibaba Hong Kong Young Entrepreneurs Foundation. Another $2.4 billion has gone into a charitable trust, according to the official *China Daily* newspaper.

Pan Shiyi 51
Zhang Xin 50

COFOUNDERS, SOHO CHINA

The husband-and-wife real estate billionaires announced last year they will give $100 million through their SOHO China Foundation to fund overseas study by undergraduate Chinese at the world's top universities. Some $15 million of that will go to Harvard University to fund SOHO China Scholarships.

Ren Yuanlin 62

CHAIRMAN, YANGZIJIANG SHIPBUILDING

Started the Yuan Lin Charity Fund in 2012 to help support the growing elderly population in his province of Jiangsu and provide disaster relief. Donates roughly $16 million of the dividends he receives each year from his Singapore-listed company. Together with other gifts, the foundation expects to raise $160 million in 5 years.

Yao Ming 34

FORMER NATIONAL BASKETBALL ASSOCIATION STAR

His Yao Foundation works with Marriott International

FROM INDIA TO SAVILE ROW

Suresh & Mahesh Ramakrishnan 42

FOUNDERS, WHITCOMB & SHAFTESBURY

After the 2004 tsunami wiped out his home and his family's livelihood, D. Tamizhselvan took to tailoring through a free program offered by the Ramakrishnan brothers. Today the 26-year-old, who hails from a poor fishing village outside Chennai, works as a coatmaker for the brothers' custom-made-suit company after 3 years of on-the-job training.

Suresh and Mahesh Ramakrishnan, 2 of a set of triplets (the third, Ganesh, is an executive at the Bill & Melinda Gates Foundation), have trained 4,000 people over the past 10 years, spending nearly $3 million. From 2005 to 2007 it was fishermen hurt by the tsunami. Then they started programs for destitute and abused women from the southern state of Andhra Pradesh. "It gives us far more satisfaction to do all this than to buy a fancy car," says Mahesh.

The philanthropy also helps the company: It has hired more than 300 people who have come through the training, and 70 of them work there now. Many return to their villages to set up their own businesses.

The company makes 1,500 suits a year at 2 Chennai sites as well as at its shop on London's Savile Row, but the path to becoming sartorial savants began after university in the U.S. Suresh ended up at Goldman Sachs and Mahesh at Scient, a technology-consulting company. Their quest for finely tailored suits took them to Savile Row. "It was just a curiosity, which became a hobby and ultimately a passion," says Suresh. In 2004 they bid adieu to corporate jobs and plunged into tailoring. Suresh is based in London, and Mahesh handles the India operation. "We always wanted to start a business which had a social component because we've been in positions of fortune," says Suresh. —*Anuradha Raghunathan*

NAMAS BHOJANI FOR FORBES (LEFT); JOE ARMAO / FAIRFAX


Lee Shau-Kee


Ronnie Chan

and other companies to build schools and teach sports. It says these partnerships reached more than 150,000 Chinese young people in the last 3 years.

Zhai Meiqing 51

PRESIDENT, HEUNG KONG GROUP

Started the Heungkong Charitable Foundation with $6 million in 2005, and in 10 years it's spent close to $20 million. It has set up 1,223 school libraries in the poorest regions of China, and a micro-financing project has enabled more than 400 single mothers to support their families with fishing or pig farming. It counts 2 million beneficiaries. She and her husband, Liu Zhiqiang, started and own the privately held Heung Kong Group, a Guangdong retailing-logistics conglomerate that has given more than $150 million to various causes since 1992.

HONG KONG

Ronnie Chan 65
Gerald Chan 63

CHAIRMAN/NONEXECUTIVE DIRECTOR, HANG LUNG GROUP

The brothers' $350 million donation to Harvard University last fall through the family's Morningside Foundation is the largest the school has received in its 378-year history. The money goes to its School of Public Health, where Gerald did postdoctoral work in cancer and pathology, and should benefit Asia by helping fund research into problems caused by the region's rapid development, such as air and water pollution. It will also help international students cover their tuition debt so they can return home earlier. Ronnie and his wife, Barbara, gave $20 million at the same time to the University of Southern California, his alma mater.

Lee Shau-Kee 86

CHAIRMAN, HENDERSON LAND DEVELOPMENT

Donated a 63,000-square-foot plot in January to house the city's largest youth hostel, with 1,250 units in a 25-story building in the New Territories to be finished by 2018. An earlier gift of a 100,000-square-foot plot, also in the New Territories, will become Asia's largest nursing home for the elderly; it's also scheduled for completion in 2018 and will offer 1,400 beds in a 9-story building. His real estate philanthropy works less well on the mainland, where a pledge made with Country Garden Chairman Yeung Kwok Keung to build 10,000 flats right across the border in Guangdong for Hong Kong elderly is on hold due to a lukewarm response.

INDIA

Sunny Varkey 58

FOUNDER, GEMS EDUCATION

Signed the Giving Pledge in June, promising to donate most of his wealth to charity and becoming the first education entrepreneur to do so. Built a $2.25 billion fortune operating 130 schools with nearly 150,000 students in the United Arab Emirates, India, China and elsewhere. Now his Varkey Foundation aims to change the lives of 10 million poor children with an ambitious program to train 250,000 teachers in the developing world. Already it has trained 12,000 teachers in Uganda. *(For other Indian philanthropists, see pages 76 and 85.)*

INDONESIA

Hendro Gondokusumo 64

FOUNDER & OWNER, INTILAND DEVELOPMENT

One of the largest property developers in the country, late last year he launched Intiland Teduh, a program to give underprivileged people a chance to live in a decent home in Jakarta and East Java. It works with other philanthropic groups, such as Habitat International, to provide a full range of assistance.

Boedi Mranata 64

FOUNDER & PRESIDENT DIRECTOR, ADIPURNA MRANATA JAYA

Made his money building the country's largest bird's-nest producer and then in 2007 cofounded Harapan Rainforest, a project to preserve nearly 100,000 hectares of rainforest in Sumatra. The forest is a home for the endangered Sumatran tiger and other threatened species. The project has received wide support; Prince Charles visited the area in 2008. Harapan means "hope" in Indonesian.

JEROME FAVRE / BLOOMBERG (LEFT); SAM TSANG / SCMP

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P.J. Lhuillier

IRWIN WONG FOR FORBES (RIGHT)

Sukowati Sosrodjojo 42

PRESIDENT DIRECTOR, REKSO INTERNATIONAL

Revamped Jakarta's National Monument Park (*see story, p. 66*).

MALAYSIA

Jeffrey Cheah 70

CHAIRMAN, SUNWAY GROUP

Started the Sunway Education Trust Fund in 1997 and has since given $50 million to fund 20,000 scholarships for students at his Sunway Education Group and other educational assistance. The fund has evolved into the Jeffrey Cheah Foundation, and in February it donated $1.6 million to set up the Jeffrey Cheah Professorial Fellowship Fund at the University of Cambridge. In 2013 it gave $6.2 million to Harvard University's Southeast Asian Studies program.

Leonard Linggi Tun Jugah 75

FOUNDER, LIMAR GROUP

Launched Tun Jugah Foundation in 1985 to chronicle the history, culture and religious traditions of his forefathers, the Ibans, an ancient tribe in Borneo. Its Tun Jugah Museum attracts art historians, researchers and tourists to Sarawak. Awarding grants, sponsoring research fellows and holding conferences, it is one of the few private cultural-preservation projects in Malaysia. Among its recent projects are an ethnographic book of death chants and recordings of more than 700 hours of chants, prayers and folktales.

THE PHILIPPINES

Diosdado Banatao 69

FOUNDER & MANAGING PARTNER, TALLWOOD VENTURE CAPITAL

The technology entrepreneur and son of a farmer set up his Philippine Development Foundation in 2010 and has given it more than $1.5 million to reduce poverty through education, innovation and entrepreneurship. The family-run Salvador & Rosita Banatao Foundation, named for his parents, assists students in his hometown of Iguig in the northern Philippines; it helped build a science and computer center at his elementary school and provides financial aid and scholarships to high school and university students with potential in science.

P.J. Lhuillier 70

CHAIRMAN, P.J. LHUILLIER GROUP

Started what is now the Cebuana Lhuillier Foundation in 2000. It offers 300 college scholarships to impoverished students nationwide and has enabled thousands of school dropouts to restart their education through 19 Alternative Learning Centers that it's started in public schools; 48 more will open next year. Aiming to inspire millions of people, he also launched the "Search for the Happiest Pinoy" campaign. Every other year starting in 2009 it has awarded $20,000 to an individual who have risen above life's challenges and whose positive outlook has improved the lives of others. *(See also p. 63.)*

Manny Pacquiao 36

BOXING CHAMPION & PHILIPPINE CONGRESSMAN

His Emmanuel & Jinkee's

JAPAN

TACKLING THE LABOR CRUNCH

Yoshiko Shinohara 80

FOUNDER & CHAIRMAN, TEMP HOLDINGS

With a rapidly graying and shrinking population, Japan faces a critical shortage of day care, health and welfare workers. Solving that problem is all the more important if the country is ever to get more women into the labor force. So with a gift of nearly $140 million worth of her company stock, or a 5.6% stake, Yoshiko Shinohara set up the Yoshiko Shinohara Memorial Foundation last year to fund scholarships for students studying to become such workers.

As a female entrepreneur she's long been a pioneer in Japan. But in contributing a large chunk of her wealth to help reach societal goals, Shinohara is now a rarity in Japan for another reason. "I was born in a family where my mother was a midwife and my father was a junior high school principal," she says. "So education and women working always were in the back of my mind. The importance of women being able to work as well as raise children left an indelible impression."

She also addressed this issue in 2007, when she started the Shinohara Daycare & Medical Administration Technical School. Most students study to become child care workers.

Shinohara worked as a secretary and had the idea for her company after seeing temps in Australia. She saw how they offered more work opportunities for women and in 1973 started Tempstaff in Japan to provide staff for corporations. Resolving the day care issue won't be enough to enable more women to have careers, she says: "Husbands need to help more with housework." —*James Simms*




Parts of the B

Heart Foundation (Jinkee is his wife) started last year and has awarded more than 200 scholarships and extended more than $400,000 in medical assistance to needy people. Outside the foundation he spends $400,000 a year on college costs for 1,000 students and has helped fund the construction of hundreds of houses—mostly in the southern end of the country, where he is from—with Habitat for Humanity Philippines. He has contributed hundreds of thousands of dollars to relief funds after devastating typhoons in the last 3 years.

SINGAPORE

Mohamed Abdul Jaleel 56

FOUNDER & CEO, MES GROUP

Over the past couple of years has given $1.1 million to The Straits Times School Pocket Money Fund, which helps students from low-income Singapore families with pocket money and meals for school. Set up a foundation in 2011 that aims to donate S$1 million ($710,000) every year to help with the education of needy children. Runs his construction logistics company today but had to drop out of school at 16 to help his family make ends meet.

NEPAL

REBUILDING NEPAL

Binod Chaudhary 60

PRESIDENT, CHAUDHARY GROUP

After a 7.8 Richter scale earthquake rocked central Nepal on Apr. 25, Binod Chaudhary and 2 of his sons rushed from Chitwan National Park to Kathmandu to organize relief efforts. The company's head office was heavily damaged, but no matter. He immediately ordered that 8 schools operated by one of his businesses be turned into shelters, distributing the company's famed Wai Wai instant noodles and other food, and juice, water and medical supplies. He also arranged for health care workers to reach victims in the 12 districts most severely hit by the country's worst natural disaster in 81 years.

Since then Nepal's first billionaire has pledged $2.5 million through the CG Foundation to restore schools and homes destroyed or damaged by the quake. By last month it had built 300 temporary bamboo-and-plaster houses; the aim is to complete construction of 3,000 by October. It will also rebuild 100 primary schools.

The 20-year-old foundation has sponsored more than 300 scholarships in Nepal, underwritten eye care for thousands of the elderly poor, and supports youth sports, micro-enterprises and the arts. The company began with his grandfather's fabric shop, and his father opened the first department store in Kathmandu. CG now boasts the slogan "Taking Nepal to the World" and employs 6,000 on 5 continents, with interests in cement, autos, banking, energy and hotels. It still hasn't been able to move back into its head office. *—Susan Cunningham*

Kwek Leng Joo 62

DEPUTY CHAIRMAN, CITY DEVELOPMENTS

Over the past 2 years he has donated $4 million to various projects at Nanyang Technological University, including a student community service fund. An avid photographer since his teens, he has raised $1.8 million for charity and environmental causes through the sale of his photos and art books. Recently donated $50,000 to set up 2 multimedia reading rooms and libraries for primary schools in the city of Xiamen, his father's hometown in China.



Kwek Leng Joo

Ruth Yeoh 32

EXECUTIVE DIRECTOR, YTL SINGAPORE

Granddaughter of billionaire Yeoh Tiong Lay and daughter of Francis Yeoh, she's pursued an environmental agenda at the family-run conglomerate for the past 12 years. That includes setting up coral reef nurseries in Malaysia; assisting rural villages in Yunnan Province, China to reduce pressure for deforestation; and protecting the habitat of rare birds in the U.K. But it also means—as head of an in-house, 40-member sustainability unit—prodding YTL companies to cut carbon emissions, recycle waste, use resources sparingly and take other such measures as part of their business strategy.

SOUTH KOREA

Cho Chang-Gul 76

FOUNDER, HANSSEM

Pledged in March to donate half of his then $800 million stake in the country's largest furniture maker to his Hanssem Design Beyond East & West. Started in 2012 and essentially a think tank, it aims to nurture the next generation of global leaders by focusing on 4 main tasks: cultivating a better world by merging the values of East and West, improving the environment, honing the use of digital technology and studying China in depth.

Chung Mong-Gyu 53

CHAIRMAN, HYUNDAI INDUSTRIAL DEVELOPMENT

Donated 200,000 shares—worth $11.2 million—to the Pony Welfare Foundation in April. The gift commemorated the 10th anniversary of the death of his father, Chung Se-Young, a pioneer of the Korean auto industry nicknamed "Pony" after the first Hyundai Motor car, the Pony. Mong-Gyu started the foundation after his father died. It has funded scholarships for 280 students

BRIAN SOKOL FOR FORBES (LEFT)


Thanong Leeissaranukul

in South Korea and 440 in Vietnam. It also hands out an annual Pony Chung Innovation Award, which carries a prize of 100 million won ($84,000).

Huh Chang-Soo 66

CHAIRMAN, GS GROUP

Turned over 137,900 shares of GS Engineering & Construction to the Namchon Foundation last November. The gift was worth more than $3 million. He's now given the foundation shares valued at $30 million since he started it in 2006 to honor his father, Huh Joon-Gu. It's expanding its support for medical assistance, scholarships, cultural activities, welfare and academic research.

TAIWAN

Shunyi Zhu 63

CHAIRMAN, ZYXEL COMMUNICATIONS

Gave $500,000 last year to his alma mater, National Chiao Tung University in Hsinchu, for new campus facilities. Four years ago created an endowment with his nearly $4 million stake in ZyXEL to finance the school's advanced research and development in mobile communications. Also funds scholarships to the university and for other students at the region's colleges, middle and elementary schools. Born into a family of 12 children in Hsinchu, he says education was his only ticket out of poverty, so he's devoted his charity work to education causes.

I-Shou Lin 73

FOUNDER & CHAIRMAN, E UNITED GROUP

Set up a $2 million relief fund for victims of explosions in Kaohsiung last year. The blasts, caused by gas leaks, claimed 32 lives and injured more than 300 in 2 days. Previously donated $3 million to China after the Sichuan earthquake in 2008 and $350,000 to the rescue fund after the Morakot typhoon in 2009. Helped fund the Minimally Invasive Surgery Training Center at National Taiwan University Hospital in Taipei, which opened in 2007. After growing up in a poor farming family in Taichung, he and his elder brother started a fabric business. He later made a fortune from the island's property boom before tapping into the steel industry in the 1980s.

Robert Tsai 53

CHAIRMAN, SWANCOR IND. CO.

In June he made the first large donation to a relief fund ($330,000) after highly flammable corn starch powder—used to spray on partygoers—exploded during a party at a water park near Taipei. The fire killed 11 people and injured 500. To cover medical bills for the burn victims, who are mostly in their 20s, the private sector has contributed more than $33 million. He previously gave $330,000 for the construction of a new lab for his alma mater, National Tsing Hua University. Born into a poor farming family in central Taiwan, he built a leading manufacturer of specialty chemicals.

THAILAND

Philipp Graf von Hardenberg 57

FOUNDER, CHILDREN'S WORLD ACADEMY

Helped establish a school serving orphans—the Yaowawit School—and a supporting foundation—the Children's World Academy—after the Asian tsunami at the end of 2004. A decade later the school in Kapong continues to educate underprivileged children in southern Thailand. The German native worked for Steven Spielberg's Shoah Foundation and now runs the Thanyapura sports facility in Phuket but continues to advocate for Thailand's children; more than $5 million has been raised for the school.

Anchalika Kijkanakorn 44

MANAGING DIRECTOR, AKARYN HOSPITALITY MANAGEMENT SERVICES

Formed the Pure Blue Foundation in 2010 to ground her hotel properties in environmental conservation and community service. Guests can support programs with a small daily contribution, and each resort raises money for local projects; in Phuket, Pure Blue has boosted turtle conservation, while in agricultural areas it supports farming initiatives.

Thanong Leeissaranukul 55

PRESIDENT, SITTIPOL GROUP

A member of the group's founding family, he's spearheaded the "Spare Human Parts" campaign to change Thais' ideas about organ donation. In the 7 years of the project, the number of people issued organ donor cards by the Thai Red Cross has more than tripled, to 700,000. At auto parts maker Sittipol 1919, where he's managing director, 30% of the profits—at least $3.3 million a year—go to assist the physically and mentally disabled and teachers in the war-torn southern provinces, as well as the Spare Human Parts campaign and other causes. Any of the group's 20,000 employees can apply for funding for books, equipment or other help for their hometown schools.

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PUMPING UP PHILANTHROPY WITH TECH PROFITS

In 2 decades India's information technology industry has grown from $2 billion in revenue to $133 billion. That's generated vast wealth, and philanthropy is increasingly the beneficiary. Perhaps no company better illustrates this trend than Infosys, the country's second-largest IT firm. This year's list singles out 5 people related to Infosys *(see below)*. Started by 7 engineers in 1981 with $250, the company has minted 5 billionaire families. "Infosys is primarily a middle-class company founded by middle-class people with high social and ethical values—it democratized wealth, and a large number of people came into substantial wealth," says a former chief financial officer, Mohandas Pai. "The giving stems from these values."

But all the IT companies boast world-class philanthropists. Wipro's Azim Premji is India's biggest donor, having committed $8.6 billion—primarily to education. Shiv Nadar—who cofounded India's fourth-largest IT outfit, HCL Technologies—has pledged $1 billion to his foundation, mainly for launching educational institutes. And Vineet Nayar, a former HCL chief executive, has started the Sampark Foundation, which is helping 3 million children in government schools.

—Anuradha Raghunathan and Saritha Rai



"Middle-class people with high social and ethical values": Infosys cofounders Kris Gopalakrishnan and N.R. Narayana Murthy, father of Rohan Murty.

Kris Gopalakrishnan 60

COFOUNDER

He and his wife, Sudha, donated $5 million this year to set up 3 chairs at the Indian Institute of Science to bring in top researchers to collaborate on studying the human brain. Last year they gave $36 million to set up a brain research center at the institute and to support 45 scientists. Under an additional $1.8 million grant, researchers from Carnegie Mellon University will come to India to work with Indian scientists.

Rohan Narayana Murty 31

SON OF COFOUNDER N.R. NARAYANA MURTHY

Set up the Murty Classical Library of India with a $5.2 million endowment for the Harvard University Press to promote ancient Indian literary classics. The endowment's investment gains will be used to publish 4-5 books a year. The first set came out in January and includes poems by Buddhist nuns and writings of the blind Hindi poet Surdas. Plans 500 books over the next 100 years. Next up: mathematics and science in ancient India.

Nandan Nilekani 60
Rohini Nilekani 55

COFOUNDER/EARLY INFOSYS INVESTOR

The tech billionaire and his wife gave $10 million this year to start education nonprofit EkStep (*ek* is "one" in Hindi). With a mobile-phone-based platform it will provide personalized learning in English and math for India's millions of children between the ages of 5 and 10. Learning personalization hasn't been attempted on this scale. The technology will figure out the aptitude and interests of a child and deliver games, worksheets and apps. Pilots are being tested, and the goal is to launch next year.

Mohandas Pai 56

FORMER CHIEF FINANCIAL OFFICER

Helped start the Akshaya Patra Foundation in Bangalore in 2000. It addresses malnutrition and chronic hunger among Indian schoolchildren and provides free lunches to 1.4 million schoolchildren in 11 Indian states. Plans to increase that to 5 million by 2020. He believes that when children are guaranteed a hot, full midday meal, they're more likely to stay in school and study harder. He's also helped set up computer centers in schools and colleges in Karnataka.

S.D. Shibulal 60

COFOUNDER & FORMER CEO

He and his wife, Kumari, committed $11 million to 2 philanthropies they run: the Sarojini Damodaran Foundation and the Advaith Foundation. Causes include pension schemes for the elderly, education, and financial aid for cardiac surgeries. They also operate an online platform, Vidyadhan, that connects students who need financial aid with Indian sponsors.

AP PHOTO / AIJAZ RAHI

Heroes of Philanthropy

Channeling Nina Wang

A Hong Kong court will decide how to fulfill her wishes.

BY SHU-CHING JEAN CHEN

One of the richest foundations in Asia will soon get court-approved directions on how to spend its vast endowment, finally ending a long saga that began in 2007 with the death of Hong Kong property tycoon Nina Wang.

When she died at 69, she left a $10.6 billion fortune to her Chinachem Charitable Foundation. But the money has been tied up in court, with her three siblings who control the foundation arguing that the endowment should be spent as they wish, rather than purely on charity. Hong Kong's justice secretary intervened in 2012, filing suit to make sure the siblings carry out Wang's intentions. In May the Supreme Court ruled in the government's favor, defining the foundation's role as a trustee that must carry out her wishes, not as a beneficiary of a gift that would have given the siblings great latitude in how the money is spent.

Long before the government mounted its lawsuit, the court appointed three PricewaterhouseCoopers partners as interim administrators to oversee the foundation. A government spokesman says the Department of Justice "has been liaising with the foundation on matters relating to the implementation of the will" and that a plan should be submitted to the court by the end of January.



Wang's foundation remains in limbo.

Wang's wealth came from her full ownership of one of the city's largest private real estate developers, the Chinachem Group, which today boasts a portfolio of more than 300 projects, including stakes in 14 office towers and a dozen shopping malls. She took over the group in 1990 after her husband, chemical magnate Teddy Wang, was kidnapped; he was never found and was declared legally dead in 1999. The group had a workforce of 3,300 employees and generated an operating profit of $320 million in 2012, the latest available figures. Her brother, Kung Yan-sum, 72, now heads the group. (Wang was the eldest of four, including two sisters. She appointed the three siblings to the five-member foundation board only two days before she died.)

She wrote her will in 2002 in Chinese without legal advice, stating her desire to ensure the prosperity of her business so that it will "continuously develop the charitable business till eternity." Specifically she said money should go to establishing "a Chinese prize of worldwide significance similar to that of the Nobel Prize," and to providing support to relatives of her late husband and to Chinachem staff and their children. She and her husband started the foundation in 1988, and in the years before her death it contributed to education and religious causes, community services and natural disaster relief. It also launched the "We Love Hong Kong" campaign.

Not all of her wishes are likely to be granted. In her will she said there should be a supervisory body to oversee the foundation and that it should include the UN's secretary-general, China's premier and Hong Kong's chief executive. She neglected to consult first with the UN or the Chinese government.

Before this case the Chinachem fortune had long been a source of legal conflict. Wang herself wrestled it away from her husband's aging father in a lawsuit settled in 2005. Then a former lover, Tony Chan, her swashbuckling feng shui consultant, claimed the money with a forged, handwritten will; he was sentenced to 12 years in prison in 2013. Once the court signs off on a plan to carry out her will, Little Sweetie, as the Hong Kong media dubbed her, will be able to rest in peace.

REUTERS / BOBBY YIP



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Treasure Islands

Japanese billionaire Soichiro Fukutake has created a surreal archipelago of art, including an underground museum of Monets and a luxury hotel designed by Tadao Ando.

BY SUSAN ADAMS

For Japanese billionaire Soichiro Fukutake, the best place to view contemporary art is not a white-walled museum in New York, Paris or even Tokyo. Rather it's an archipelago in Japan's Seto Inland Sea, where he has transformed what were dying industrial waste dumps into a glamorous destination for adventurous art lovers and high-profile collectors like French luxury-goods titan François Pinault, Greek industrial magnate Dakis Joannou and Los Angeles arts patron Eli Broad. "Most urban museums are just places for hanging beautiful art," says the 69-year-old Fukutake. "The art, the building and the environment should work together to wake up the viewer."

Even if you wake up at 7 a.m. at Benesse House—the $400-a-night hotel where many of Fukutake's treasures are housed—you can indulge in an experience unique among the world's finest resorts. With no guards or velvet ropes to block access, there is a museumful of blue-chip works to be explored, including a 1962 Giacometti bronze, a David Hockney swimming pool painting, a whitewashed Jasper Johns alphabet work and, surrounded by a sloping walkway, a 10-foot-tall neon-light sculpture by









Artists in Wonderland: clockwise from above, an installation at the Lee Ufan Museum; the view from underground at the Teshima Art Museum; the Benesse House Park; and Yayoi Kasuma's "Pumpkin" on Naoshima.

FROM TOP: TADASU YAMAMOTO; SHIGEO ANZAI; OSAMU WATANABE
MAIN PHOTO: NOBORU MORIKAWA



Venice Biennale winner Bruce Nauman, flashing provocative aphorisms in red, pink, blue and yellow: "Feel and Die," "Fear and Live ... ."

One of Fukutake's goals for the islands is to see that his collection lives beyond his lifetime. "Through the project I'm searching for eternity," he explains. "I want the art to be significant in any age." To build his legacy, he has collaborated with Pritzker Prize-winning architect Tadao Ando, known for his minimalist sensibility, improbable angles and liberal use of smooth, unpainted concrete. Together they have created a complex of elegantly designed structures, three of them carved into the hills of Naoshima Island, a 5-square-mile outpost of rolling terrain, small villages and stunning views of the sea.

Ando's most striking structure, the Chichu Art Museum (*chichu* means "underground" in Japanese), is almost entirely below the earth but doesn't feel that way, with its two courtyards open to the sky and the elements, surrounded by slanted walkways, and skylights in three of the larger rooms. The Chichu houses work by just three artists, including five late paintings from Claude Monet's water lily series. Before entering the space, visitors must don soft white slippers to avoid soiling the luminous white floor tiles made from Carrara marble. "Many people say that Naoshima is better than l'Orangerie," says Fukutake. "In Naoshima it's a spiritual experience."

Fukutake made his estimated $1.02 billion fortune through his share in Benesse Holdings, a company his late father founded in 1955 as Fukutake Publishing. After his father died of a heart attack in 1986, he changed the name to Benesse, from the Latin words for "well-being." Today Benesse owns the Berlitz language schools, correspondence courses and 275 nursing homes throughout Japan. Under Fukutake's direction, first as chairman and now as executive advisor, Benesse funnels 5% of company shares into the Fukutake Foundation, which supports the art site. He has also invested $240 million of his family fortune into the project.

While Tokyo would be the obvious location for such a museum, Fukutake had come to see the city as a destructive center of money and stress. "Tokyo is chaos and madness, like New York," he says. "There is too much—too much entertainment, too many products, too many people." Better to appreciate art surrounded by the natural world.

In addition to three Ando-designed museums and the museum-cum-hotel, Fukutake has commissioned 20 site-specific works. In 1995 Benesse also established a prize at the Venice Biennale for an artist it would fund to produce a piece for the islands. The first one, by Chinese artist Cai Guo-Qiang, consists of a series of more than 20 rocks placed according to principles of feng shui on a grassy area surrounded by trees just off the beach. The artist set a hot tub in the middle of the work, and hotel guests can make arrangements to soak there while gazing out at the sea.

To determine the best spots for the outdoor pieces and museums, Fukutake flies his private helicopter over Naoshima and two nearby islands, Teshima and Inujima. Finding the works of art scattered between the hotel and the Chichu museum a half-mile up the hill can feel like a scavenger hunt. One piece, by Japanese artist Tsuyoshi Ozawa, is a series of 88 Buddhas in bas-relief on bits of industrial slag. It lies across a pond in an easily missed curve in the road.

While building the museums on Naoshima, including one devoted to the work of Korean-born minimalist Lee Ufan, Fukutake came up with the idea of transforming abandoned homes into works of art. Visitors can take a shuttle bus five minutes from the hotel into the charming village of Honmura, where there are seven so-called "art house projects." The most striking is a collaboration between Ando, who designed the structure, and James Turrell, the 72-year-old American artist who creates works using light and optical illusions to startling effect.

On Teshima, a beautiful, hilly expanse where Fukutake restored the rice paddies that cover the hillsides, there is another extraordinary museum, unlike anything I have seen. Shaped like a giant teardrop and made out of white cement, it's nestled in a shallow valley. Two ovals cut into the ceiling let rain fall inside. Visitors must remove their shoes, and attendants admonish them not to get their feet wet. But what appear to be naturally occurring puddles turn out to be the result of tiny underground holes spouting water that then flows down the highly polished floor, looking like glowing pools of mercury. Standing under the sloping roof, I felt like I was in an open-air spaceship moving through a beautiful galaxy of abundant water.

Though the Benesse Art Site Naoshima is remote—more than six hours from Tokyo, including three and a half hours on the wonderful Shinkansen bullet train, two different local trains and a 20-minute ferry ride from the sleepy town of Uno—the hotel, which consists of the 10-room museum and three annexes with an additional 55 rooms, was almost fully booked in early June.

While both Benesse Holdings and the Fukutake Foundation administer and fund aspects of the project, all major decisions flow through Fukutake. Since 2010 the foundation has collaborated with the local government to produce the Setouchi Triennale, where temporary exhibits are scattered around a dozen islands. The next festival will start in March 2016.

But these islands are not a home for Fukutake. Because of his love of nature, he moved from Japan to New Zealand five and a half years ago. He keeps two houses there, in Auckland and on the south island, and flies his two-seater plane between the two. But he spends a quarter of the year in Japan, as much of it as possible in his artful archipelago. "I want people from the big city to envy this place," he says. "I want to create a new country in Japan." F



Site specific (clockwise from above): "Cultural Melting Bath," by Cai Guo-Qiang; "Biota," an art house project by Kohei Nawa on Inujima Island; "Slag Buddha 88," by Tsuyoshi Ozawa; Monet space in Chichu museum.

CLOCKWISE FROM TOP: TK; TAKASHI HOMMA; TK; NAOYA HATAKEYAMA





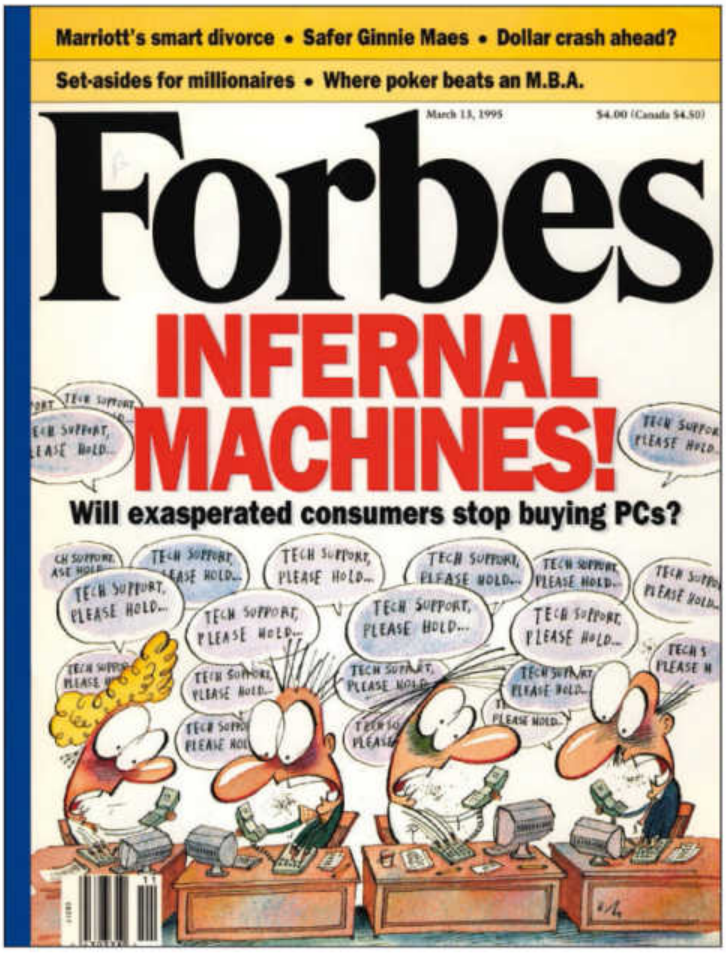




FINAL THOUGHT

"It takes a really sick mind to think it's funny or 'clever' to plant bugs in computers."
—MALCOLM FORBES





"Maybe the PC has been somewhat oversold at its present stage of development. Do you really need that quadruple-speed CD-ROM Pentium PC to educate your kids and to keep yourself from becoming obsolete? Novelty aside, are multimedia and Internet really that essential to most people's daily lives?"

—FROM THE MAR. 13, 1995 ISSUE OF FORBES

OTHER THOUGHTS FROM THAT ISSUE:

GAMING THE SYSTEM *"'Give me a choice between 100 bridge players or 100 college grads, and I'll take the bridge players in a second—they're used to always being dealt a new hand,' says Norman Weinstein, an international chess master and member at Odyssey Partners, the big hedge fund. 'Backgammon's even better: You start from the same position, but the dice require you to play differently each time.'"*

TAMPA BAY BUCKS *"Even most avid readers of the business sheets probably never heard of Malcolm Glazer before this January. He emerged from obscurity when he outbid six other investor groups to buy the Tampa Bay Buccaneers. Price: $192 million, a sports franchise record."*

ON MACHINES

"Never trust a computer you can't throw out a window." **—STEVE WOZNIAK**

"Technology is the knack for so arranging the world that we do not experience it." **—MAX FRISCH**

"Why is it that drug addicts and computer aficionados are both called users?" **—CLIFFORD STOLL**

"We are stuck with technology when all we really want is just stuff that works." **—DOUGLAS ADAMS**

"If it keeps up, man will atrophy all his limbs but the push-button finger." **—FRANK LLOYD WRIGHT**

"'Behold, the days are coming,' says the Lord, 'when the plowman shall overtake the reaper.'" **—AMOS 9:13**

"The machine threatens all achievement." **—RAINIER MARIA RILKE**

"The real question is not whether machines think but whether men do." **—B.F. SKINNER**

"I know there's a proverb that says 'To err is human,' but a human error is nothing to what a computer can do if it tries." **—AGATHA CHRISTIE**

"I could make tools if I had tools to make them with." **—ELI WHITNEY**

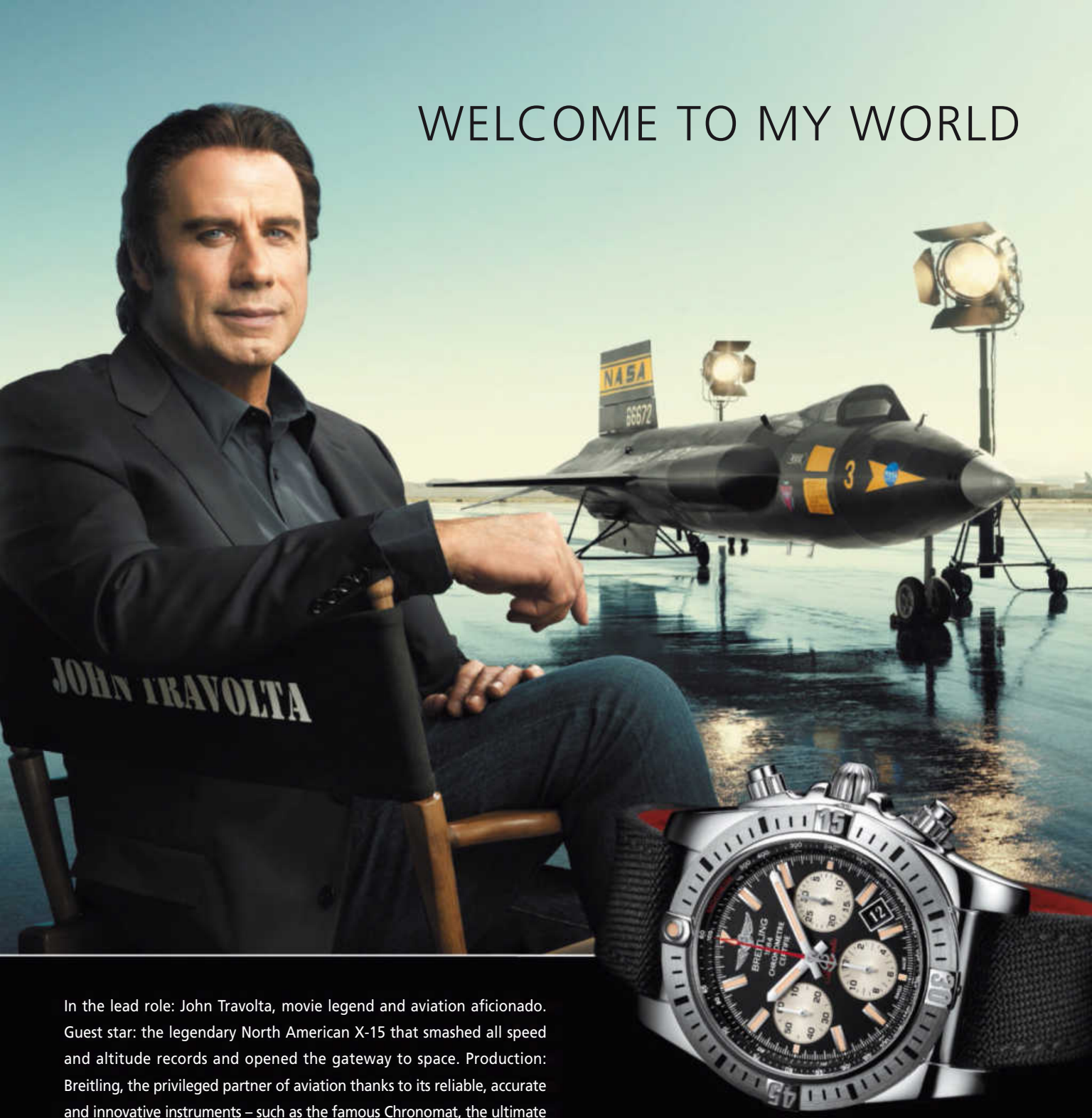
"The test of the machine is the satisfaction it gives you. There isn't any other test." **—ROBERT M. PIRSIG**

"Technological progress has merely provided us with more efficient means of going backward." **—ALDOUS HUXLEY**

"Computers are useless. They can only give you answers." **—PABLO PICASSO**

SOURCES: THE TIMES BOOK OF QUOTATIONS; A CRY FOR MYTH, BY ROLLO MAY; GOODREADS.COM; THE SONNETS TO ORPHEUS, BY RAINER MARIA RILKE; CONTINGENCIES OF REINFORCEMENT, BY B.F. SKINNER; THE SALMON OF DOUBT, BY DOUGLAS ADAMS; HALLOWE'EN PARTY, BY AGATHA CHRISTIE; ENDS AND MEANS, BY ALDOUS HUXLEY.

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Project Completion: February 2021 | Project Developer: BG West Properties Inc. | HLURB ENCR AA-NCR-15-06-479